ANNUAL REPORT 2014-15

University of Regina

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Message from the Board of Governors and President

Board Chair Lee Elliott and President Vianne Timmons

The University of Regina is pleased to submit its annual report and audited financial statements for the fiscal year ending April 30, 2015. This report highlights the University's key accomplishments from the past year, while also introducing our institution's new strategic plan, entitled *peyak aski kikawinaw: Together We Are Stronger*.

From 2009-14, our University was guided by a strategic plan – *mâmawohkamâtowin: Our Work, Our People, Our Communities* – which helped our institution evolve in many positive ways. Through the remarkable work of our talented and dedicated students, faculty and staff, the University of Regina has enhanced its standing as an educational institution of choice, and one that is committed to inclusiveness, excellence, and innovation.

This past year was characterized by continuing growth at the University of Regina. In September 2014, our student enrolment reached an all-time high of 14,000, with more than 11% of our student population self-declared as being of Aboriginal descent. A number of new academic programs were established to meet growing student and labour-market demand, including the new Master of Health Administration program, which doubled its initial enrolment projections in its first year alone. The Collaborative Nurse Practitioner Program was created in partnership with Saskatchewan Polytechnic, and in September, we announced the creation of a new Master of Journalism program, to be launched in Fall 2015 – which will be the first of its kind in the Prairie provinces.

The University has made significant investments in internationalization with the goal of attracting exceptional students and scholars. These efforts have transformed our campus, with students from more than 60 countries around the world now making up 13% of our student population and enriching the experience of all. In addition, new initiatives such as the Queen Elizabeth II Diamond Jubilee Scholarship program are creating opportunities for our Canadian graduate students to undertake research and study abroad at Commonwealth partner institutions.

The research being done at our University continues to make an impact on the world around us. This past year, two faculty members were named Fulbright Scholars and invited to share their expertise and knowledge with partnering institutions in the United States. Also in 2014, the University opened the Institute for Environmental Change and Society, which provides space for multi-disciplinary teams of researchers from around the world to undertake important study on some of the most pressing issues facing our world today. Data released this year shows that the University of Regina is punching far above its weight in its research enterprise, leading medium-sized comprehensive universities in Canada in research impact, and ranking first in international research collaboration.

Although it is important to celebrate these accomplishments, it is even more important to look to the future. With the implementation in the coming years of *peyak aski kikawinaw: Together We Are Stronger*, we will continue contributing meaningfully to Saskatchewan, Canada and the world through our commitment to student success, our service to community, and our leading-edge teaching and research.

Lee Elliott
Chair, Board of Governors

Dr. Vianne Timmons
President and Vice-Chancellor

Introduction

This annual report highlights the activities and accomplishments of the University of Regina for the year from May 1, 2014 to April 30, 2015. Most significant during this fiscal year and as described in this annual report is the approval of the University's 2015-20 strategic plan, *peyak aski kikawinaw: Together We Are Stronger*. Accompanying the Strategic Plan is a newly developed performance measurement framework that will serve to measure the University's success in achieving its long-term goals as defined by the University's vision and mission, while also enhancing the University's accountability in reporting to government, its stakeholders, its partners and the communities it serves.

Profile

The University of Regina provides a dynamic, innovative, and supportive learning experience with a focus on student success, research impact, and commitment to our communities. The University's comprehensive services and programs prepare students to excel in local and global communities, and its research opportunities attract the best and brightest minds from across Canada and around the world.

The University of Regina became an autonomous, degree-granting institution on July 1, 1974. In the past 40 years, the University has grown to become a comprehensive institution with nearly 200 programs across 10 faculties and 25 departments, and enrolment of close to 14,000 full- and part-time students. With both the main campus and the historic College Avenue campus located across more than 75 hectares in Wascana Park – one of the largest urban parks in North America – the University strives to provide a welcoming environment that fosters creativity, engagement, continuous learning, and the opportunity to succeed.

The University of Regina continues to provide high-quality, accessible education that prepares learners for productive and creative lives. The University's array of program offerings lead to bachelor's, master's, and doctoral degrees, as well as to an ever-growing number of certificates (both credit and non-credit). In recognition of changing student and labour-market demands, specialized programs are offered in a number of areas including journalism, social work, actuarial science, fine arts, software systems, education, police studies, health studies, public policy, business administration, and many others. The co-operative education program at the University of Regina was the first of its kind to be developed in Western Canada, and is available in the Faculties of Arts, Science, Business Administration, and Engineering and Applied Science. An Aboriginal co-operative education program is also available in each of these faculties, providing students with valuable experiential learning opportunities, as well as the chance to earn while they learn.

The University of Regina is home to 18 research centres and institutes that enhance the teaching and research opportunities available on campus and serve as catalysts for interdisciplinary collaboration and innovation. The University has seen substantial growth in its research revenues over the past decade, particularly in the areas of tri-council and external funding. From a few million dollars of research revenue in the mid-1990s, the University of Regina now receives between $15 million and $20 million annually from numerous research funding sources. As well, Innovation Place - Regina, adjacent to the main campus, produces synergies and research partnerships with

industry and government. The University has had great success in building and maintaining positive and productive partnerships with stakeholders.

In recent years, the University of Regina has experienced impressive physical expansion. In the Fall of 2013, the University began construction of a new $78 million residence complex, which will include more than 600 new on-campus beds, 90 new daycare spaces, and 150 underground parking stalls. Construction on this new residence is nearing completion, and the development will be open to students for the Fall 2015 term.

In 2011, the University launched an ambitious plan to revitalize our historic College Avenue campus, which began as Regina College. The College Building, the Conservatory, and Darke Hall will be fully restored and adaptively reused as a fundamental part of the University of Regina's academic operations and community outreach. ***Building Knowledge: The College Avenue Campus Renewal Project*** is currently the University's number one capital fundraising priority.

The University of Regina helps create capacity for social, cultural, and economic development and has long been recognized as a major player in strengthening and diversifying the local economy. Together with our three federated colleges – Campion College, First Nations University of Canada, and Luther College – the University employs almost 3,000 people, and supports an additional 970 full-time jobs in Saskatchewan.

University of Regina alumni – now numbering more than 65,000 – contribute to and build our society in Saskatchewan and in Canada, and are our ambassadors to the world.

Vision

The University of Regina aspires to be a national leader in developing educated contributors, career-ready learners, and global citizens, and in generating meaningful, high-impact scholarship.

Mission

The University of Regina:

- Provides high quality and accessible education, influential research and creative endeavours, and meaningful scholarly experiences in pursuit of local and global contributions to knowledge;
- Serves and engages a diversity of students, life-long learners, and communities with particular emphasis on aboriginal learners and global citizens;
- Offers a welcoming and rewarding academic and work environment for students, faculty and staff; and,
- Fosters innovative learning, community engagement, and critical independent thought.

Values

Mutual Respect, Integrity, and Honesty: We are a scholarly community engaged with many other communities. The members of our community are our defining resource. Our treatment of each other is principled, open, transparent, and respectful.

Inclusivity and Diversity: We are a learning community. We value interaction between faculty members and students as the fundamental activity of the academy. We recognize and support the diversity of our students'

needs, and are inclusive of our Aboriginal, new Canadian, and international students, employees, and partners. We aim to be accessible to all who wish to learn with us. We welcome the world to our campuses.

Pursuit of Knowledge: We have a driving urge to know the unknown. Our investigation of and reflection upon varied intellectual pursuits is fundamental to us. We engage our students in these pursuits, seeking to instil in them a lifelong quest for knowledge and understanding. We reaffirm our commitment to education in the liberal arts, which is the historic core of our academic offerings. We balance our duty to academic integrity with our commitment to academic freedom in our work and interactions.

Community and Social Responsibility: We employ our expertise to serve each other and society. We illuminate pressing social problems and seek solutions. The knowledge we generate enriches the community. We are legitimately concerned with all aspects of our world. We are a bridge and an interpreter between our communities, other people, and other nations.

Accountability and Well-Being: We are accountable for our performance to each other, our students, our alumni, and the public. We value a safe, healthy, and supportive community.

Strategic Plan

The University's previous strategic plan, *mâmawohkamâtowin: Our Work, Our People, Our Communities*, served our institution well from 2009-14, resulting in significant growth and expansion, while also setting the University on a trajectory of continued success. With 2014 marking the expiry of the previous plan, the Board of Governors approved the process to develop a new strategic plan intended to guide the University through its next five years, to 2020.

Over the course of this fiscal year, the strategic planning facilitation team engaged with the University community and its stakeholders (including alumni, community members, partners, and others) in extensive consultation to capture the essence of our collective long-term vision for the institution, and the priorities and objectives which would help achieve that vision. Consultation took numerous forms, including in-person sessions, student postcard suggestions, email submissions, and web-based fora, blogs, and online forms. This team exceeded expectations through their diligent work and were able to present a draft strategic plan to Council and Senate in Fall 2014. Both Council and Senate recommended the draft plan for approval to the Board of Governors. The new strategic plan, *peyak aski kikawinaw: Together We Are Stronger*, was approved by the Board of Governors in November 2014, and the plan was officially launched in January 2015.

peyak aski kikawinaw sets out the University's three strategic priorities over the next five years:

- Student Success;
- Research Impact; and,
- Commitment to our Communities.

It also presents two over-arching themes interwoven throughout all of the University's activities:

- Indigenization; and,
- Sustainability.

Student Success

The University of Regina provides high-quality education to our students. Guided by the Strategic Plan on Teaching and Learning, the University will strive to provide the supports necessary to meet diverse student needs. Together, we will work to ensure that all of our students are given the opportunity to encounter a variety of perspectives, reflect critically on their assumptions, and communicate effectively on a range of subjects.

Students led the "Five Days for the Homeless" event.

Our objectives with regard to student success include: helping students better prepare for academic success; embedding Indigenous practices, ideas, and principles in our academic pursuits; strengthening the quality and impact of teaching and learning for all students; and expanding and enhancing experiential and service learning opportunities in academic programming.

Research Impact

Research Impact Highlights 2014-15

The University of Regina was named the host site for the $13-million Institute of Environmental Change and Society (IECS) which was opened in 2014. IECS is home to Canada Research Chairs and scholars studying the interactions between human society and the environment.

In July, the Natural Sciences and Engineering Research Council of Canada (NSERC) awarded $1,412,350 to researchers at the University to study a variety of topics.

Two of the University's leading scholars, Dr. Shanthi Johnson and Dr. Peter Leavitt, were selected as visiting scholars by Fulbright Canada for 2014-15.

The University achieved top ranking among comprehensive universities in international research collaboration in the Fall 2014 results release by ReSearch InfoSource.

Dr. James Daschuk was awarded the Governor General's History Award for Scholarly Research for his bestselling book, *Clearing the Plains: Disease, Politics of Starvation, and the Loss of Aboriginal Life*.

The University is committed to an intellectually active and innovative research community with the supports and infrastructure to expand the boundaries of knowledge to have a meaningful impact at home and beyond.

"Research" encompasses creative and artistic endeavours and other activities that foster new knowledge and enrich the intellectual and cultural lives of the community. Critical to the University's success are its strategic research clusters, which have been identified in the 2015-20 Strategic Plan as a function of their critical mass (highly-qualified personnel), performance (impact), and distinctiveness.

Our strategic research clusters include:

- Anxiety, Stress and Pain;
- The Digital Future;
- Water, Environment and Clean Energy;
- Health Equity; and,
- Social Justice and Community Safety.

Not only is it key that the University continues focusing on high-impact research, but it is essential that research successes are communicated and celebrated within the community. In order to enhance our research impact, our objectives are to strengthen the support required for students and researchers to: deliver high-impact outcomes; advance the profile and awareness of research successes locally, provincially, nationally, and internationally; and increase research partnerships and projects with First Nations and Métis people, communities and organizations.

Commitment to our Communities

The Witness Blanket, which stood on display in early 2015 in front of the University's Aboriginal Student Centre, stands as a national monument to recognize the atrocities of the Indian Residential School era, honour those who endured them, and symbolize ongoing reconciliation.

The University is committed to a community of dedicated and passionate students, alumni, staff and faculty who embrace our responsibilities to serve and engage our diverse peoples and communities in the pursuit of well-being and pride of place. The University of Regina's motto, *As One Who Serves*, speaks to the deep connection and commitment to serving all of our communities through collaborative community service and engagement opportunities. This includes our internal community as well as people and organizations external to the academy at the local, provincial, national, and global levels.

This strategic priority focuses on our people, on institutional sustainability, and on the importance of engaging with our communities in order to improve institutional and personal well-being through actions that address needs in our community. Our objectives include increased focus on our people by continuing to: build a friendly, respectful, diverse, safe, and welcoming university for all; focus on institutional sustainability and transparency to ensure that we are a preferred institution at which to learn, conduct research, teach, and work; and focus on connecting and engaging with all of the communities we touch.

Theme Areas: Indigenization and Sustainability

Indigenization Highlights 2014-15

Registration statistics released in the Fall showed an increase of nearly 50% in self-declared Aboriginal students over a five-year period. This brings total Aboriginal enrolment to more than 11% of the total student body, a record high for the University.

Eighteen Indigenous students from the Mexican states of Mexico and Tabasco studied at the University in intensive English as a Second Language customized summer programming.

The University of Regina hosted the *Witness Blanket* from January 1-April 9. This large-scale, wood-based art installation incorporated more than 800 items connected with residential school experiences in Saskatchewan and across Canada.

The Strategic Plan also boldly identified two overarching themes – Indigenization and Sustainability – that thread through each priority, and upon which the University will continue to build in order to increase its impact, reputation, and competitiveness.

Indigenization: The University of Regina is situated on Treaty 4 and Treaty 6 lands. Aboriginal students, employees and community members are welcomed and supported at the University. Since the inception of the 2009-14 Strategic Plan, we have been focused on implementing initiatives to support the success of Aboriginal students, faculty and staff on our campuses, and Indigenize the University. This momentum is embedded and expanded in the 2015-20 Strategic Plan. Our goal is to indigenize the

University so that our campus is reflective of our society, and is a place of learning that welcomes all peoples.

Sustainability: Commitment to sustainability is critical to ensure institutional and societal longevity and success in the future. At the University of Regina, sustainability is deeply rooted in social justice and is taken to encompass economic, cultural, social, and environmental sustainability.

As outlined above, the objectives included in each priority area speak to both Indigenization and sustainability as important themes interwoven through all of our activities. Many of the indicators of success and supporting actions we plan to take over the next five years specifically address these areas of emphasis, and progress in both areas will be measured using the performance measurement framework.

Performance Measurement Framework

A performance measurement framework is a critical tool for an institution to measure progress in achieving the goals of its strategic plan. The approval of a new strategic plan required the University of Regina to develop a new performance measurement framework which will be used to measure its progress in accomplishing the objectives laid out in *peyak aski kikawinaw: Together We Are Stronger*. The three strategic priorities identified in the Strategic Plan form the cornerstones of the framework. The two overarching themes of the plan – Indigenization and sustainability – thread throughout the framework as these will inform the priorities and activities undertaken to achieve the ambitious targets that have been set.

Background and Process

Student Success Highlights 2014-15

At fall Convocation, the first graduating class of the Saskatchewan Collaborative Bachelor of Science in Nursing (SCBScN) program, offered jointly by Saskatchewan Polytechnic and the University of Regina, marked their entry into the nursing profession.

Record enrolments were recorded in the Spring and Summer semester, representing a 41% growth in enrolment over the last ten years.

In September 2014, the University recorded its largest student enrolment ever – 14,000 students.

University of Regina Rams receiver Addison Richards was one of two Canadian university football players invited to play in the 90th annual East-West Shrine Game in St. Petersburg, Florida.

Business students from the University of Regina were successful at the annual Inter-Collegiate Business Competition (ICBC), with the marketing team finishing in first place.

The University of Regina has developed a number of performance measures for each strategic priority. For most measures, clear targets for 2015-16 have been identified. In some cases, however, the target for 2015-16 is to define the measure, develop a data collection approach, and set the measurable target for 2016-17. This is the case for those measures in which the University has no prior measurement mechanisms (e.g., community outreach measures specific to partnerships, public engagement, and student engagement).

Annually, the Board of Governors will review the Performance Measurement Framework, confirming that the measures continue to be appropriate, and also setting new targets for the following fiscal year.

Student Success

Supporting student success is a priority in the new Strategic Plan. In order to meet our institutional objective to provide quality high-quality education to our students, the University of Regina will strive to provide the necessary supports required to meet the diverse needs of our student population.

The performance measures identified in this framework are intended to address the full life cycle of students, from initial enrolment, through their academic experience while at the University, and finally through completion of their program. Enrolment numbers in student-support specific programs including UR Guarantee and Experiential Learning opportunities are also considered important indicators of success.

Student Success		
Performance Measure	**Definition**	**2015-16 Target**
Experiential Learning	Number of students who have a co-op work term, internship, or other significant component to their degree program	6,000 students
First-year Student Satisfaction – Satisfied with Decision to Attend	As reported annually by the Canadian University Survey Consortium (CUSC)*	90%
First-year Student Satisfaction – Quality of Teaching	As reported annually by the CUSC*	90%
Graduate Degree Completion	Percentage of full-time students who complete their degree within 4 years (master's level) and 7 years (doctoral level) of initial graduate registration	55%
Mediated Learning	The number of students who enroll in at least one online, televised, or streamed course	3,500 students
Student Enrolment	Total number of students who are active in degree programs or degree-eligible credit courses offered by the University of Regina and its federated colleges as of the Fall term	14,000 students
Student Retention	Retention of students from 1st year to 2nd year	80%
Undergraduate Degree Completion	Percentage of undergraduate students who complete their degree within 7 years of first registration	57%
UR Guarantee	Number of students registered in the program	1,400 students

* CUSC operates on a three-year rotation as follows: i) First-year students – 2016; ii) middle-years students – 2017; iii) graduating students – 2018.

* For all above measures, the evaluation period is understood to be the University's fiscal year (May 1 – April 30)

Research Impact

Recognizing the importance of producing knowledge and research that have broad impact, the University of Regina identified research impact as a strategic priority. Central to enhancing research impact, the University has identified five strategic research clusters that are areas of strength for our research enterprise.

Enhanced research impact will be measured using a number of metrics, including success in external research grant competitions, levels of collaboration with scholars across Canada and around the world, and accepted indices of citation impact. Total research revenue is also a key performance measure.

Research Impact		
Performance Measure	**Definition**	**2015-16 Target**
International Collaboration	The proportion of total publications co-authored with researchers outside of Canada	55% of all research publications with an international affiliate
Normalised Citation Impact (NCI)	The NCI measures the quotient of an observed citation rate or impact of an institution and an expected citation rate for the institution or country. Published by Thomson-Reuters InCites	1.65
Research Revenue	Total Research Funding (contracts and grants) earned from all sources	$24.8 million
Tri-Council Grants	Total number of tri-council grants and Canada Council grants held by faculty members	219 awards

* For all above measures, the evaluation period is understood to be the University's fiscal year (May 1 – April 30)
* Dollar values are expressed in Canadian dollars.

Commitment to our Communities

The University of Regina values the strong connections our institution has built with all of our communities – local, provincial, national, and international. The University is committed to collaborative community service and strives to create meaningful and effective engagement opportunities within the institution and with people and organizations external to the academy. As a strategic priority, engagement with our communities focuses on our people, including students, faculty, and staff, and on institutional sustainability. We are also committed to addressing the needs of people and entities within our broader community through all of our activities.

Community Engagement Highlights 2014-15

The University of Regina helped host the 2014 North American Indigenous Games where approximately 4,800 athletes competed in 14 sports.

Over 1000 works of art collected by Drs. Jacqui and Morris Shumiatcher and worth up to $3 million were donated to *The College Avenue Campus Renewal Project* and some of these donated works became part of the University of Regina President's Art Collection.

The Federation for the Humanities and Social Sciences announced that it has selected the University of Regina to host the Congress of the Humanities and Social Sciences in 2018.

Commitment to Community		
Performance Measure	**Definition**	**2015-16 Target**
Community Outreach – Partnerships	Number of community partnerships that contribute to student success and research impact	Metric defined and baseline target set for 2016-17
Community Outreach – Public Engagement	Number of external groups using University facilities to hold public events	Metric defined and baseline target set for 2016-17
Community Outreach – Student Engagement	Number of student volunteer/work hours in the community facilitated by University programs or initiatives	Metric defined and baseline set for 2016-17
Employee Engagement*	Overall employee engagement score (physical, emotional, and cognitive components) * Measured out of 5	4.62 – physical 4.34 – emotional 4.33 – cognitive
Employee Engagement (Participation)	Participation rate in the bi-annual employee engagement survey	55%
Gifts Received and New Pledges	Total amount of gifts received and new pledges	$4.0 million
Self-declared Indigenous undergraduate students	Number of self-declared Indigenous undergraduate students as of Fall Term Census Count Date	1,600 students
Undergraduate students outside traditional catchment area	Percentage of domestic undergraduate students coming from a Canadian high school or post-secondary institution outside of the City of Regina and Prairie Valley School Division	55%
Energy Consumption	Energy consumption per square metre of building space	1.52 GJ/m2
Energy Consumption per student	Energy consumption per full-time equivalent student	3.3 GJ/m2

* Note: Survey to be completed in Fall 2015.

* For all above measures, the evaluation period is understood to be the University's fiscal year (May 1 – April 30)

* Dollar values are expressed in Canadian dollars.

Enterprise Risk Management

The enterprise risk management (ERM) function at the University of Regina was formally established in 2006. Since that time, ERM has provided a systematic approach to identify, assess and manage significant risks that could impede the University's ability to meet its strategic, operational and financial objectives. While ERM seeks to identify the University's most significant risks, it also provides the University's leadership with the tools to identify proactively and assess potential events and trends that could significantly affect their own unit's goals or their ability to maintain operations. Since 2006, ERM has become progressively more integrated into the culture and strategic decision-making of the University.

Annually, the office of ERM works with the academic and administrative units to conduct a thorough risk assessment. This fiscal year's risk assessment specifically sought to identify the University's risks that could impede its success in meeting the vision and mission of the new strategic plan, ***peyak aski kikawinaw: Together We Are Stronger***. Once the risks are identified, these are assessed based on the University's risk tolerance as defined by the Board of Governors.

New to this fiscal year was the establishment of the Internal Audit Office, which used the ERM risk register to develop a three-to-five year internal audit risk plan for the University. The University undertook two internal audits during this fiscal year and will continue to work towards addressing and mitigating risks through an ongoing auditing process.

As in past years, the University identified 10 primary risks as priorities through the ERM process. These primary risks for 2014-15 are outlined below.

Funding

The University of Regina requires adequate funding to support increasing numbers of students and to keep up with inflationary pressures. The Saskatchewan Universities Funding Model provides some stability and predictability for funding from the Provincial Government; however, with tighter fiscal restraints, post-secondary institutions across Canada are being challenged to find other sources of revenue while continuing both to deliver services that meet student and community demand and to conduct research that benefits society.

To mitigate the likelihood of funding shortages, the University continues to focus on:

- Continued advocacy with the provincial government for operating, sustaining capital, and major capital funding through strong presentations of the annual Operations Forecast;
- Monthly meetings between University executives and senior Ministry officials to share information, discuss opportunities, and identify challenges;
- New academic program development (such as the Master of Health Administration and the Master of Journalism degrees) to grow enrolments; and,
- Business process improvement and applications of Lean techniques in priority areas and functions.

Student Recruitment and Retention

Student recruitment and retention have a growing, positive impact on the University's finances through tuition revenue and, indirectly, through the Government's contributions to the institution's operating grant. The University has invested significant time and effort in addressing student recruitment and retention, strategically emphasizing the recruitment of students of Aboriginal ancestry, as well as international and graduate students. The University has achieved gains in student recruitment and retention through a number of initiatives including:

- Revised and improved admission procedures designed to increase the "yield" of actual enrolments from the pool of admitted students;
- Strategic advertising, specifically in areas outside the University's traditional catchment area;
- International outreach and enhanced support for programs designed to attract and retain international students (e.g., the Science Without Borders program for students from Brazil and supported by the Faculties of Science and Engineering and Applied Science);
- Programs such as the UR Guarantee and student supports specific to those of Aboriginal ancestry, which help to attract and retain students, as well as to increase confidence in the University's commitment to their future success.

Research Growth Management

As the portfolios of the University's research grow, it is critical that policies and procedures are in place to manage research funds and agreements, and that appropriate communication strategies are implemented.

The University continues to develop and implement a number of initiatives to ensure the effective management of the research enterprise including:

- Policies and procedures that are specific to research units are being updated and developed with advice from the Council Committee on Research;
- The University is currently evaluating the commercialization process of potential research and developments, and intellectual property; and,
- The Research Office is creating a process to maintain and manage information centrally regarding all research initiatives, grants, contracts, and intellectual property.

Policy Compliance

Failure to comply with University and grant providers' policies could affect the reputation of the University, which may in turn impact the institution's funding. Recognizing this, the University continues to undertake a full review of the institution's organizational policies. The establishment of the Office of Internal Audit is further evidence of the University's commitment to policy compliance and process improvement.

Information Technology Infrastructure and Data Security

Like all such systems, the University's information technology system, which includes databases, is vulnerable to hacking and other breaches of security. The University must also manage and mitigate risks associated with breaches in staff and student personal information, as well as possible violations of the Privacy Act and other legislation.

To ensure that the University of Regina is compliant with any additional stipulated information security standards established by the acts and associated regulations, the Information Services (IS) department annually reviews the existing federal and provincial legislation.

In Fall 2014, Grant Thornton LLP was engaged to conduct a pre-implementation review of the IS Security Framework that is being developed. IS is addressing Grant Thronton's recommendations to strengthen and enhance the University's security framework.

Additional initiatives to enhance security include:

- The development of a methodology for documenting service agreements with units to ensure that the security requirements of each service are identified and assigned to either the unit or to IS as appropriate;
- Regular and ongoing monitoring of the network and Internet traffic for inappropriate activities and unauthorized access attempts;
- Mobile device communications encryption based on IEEE standards and WPA2;
- All access to the University's data centres controlled by electronic card access and alarm systems, as well as CCTV; and,
- Centrally managed servers, personal computers, and electronic storage devices are wiped clean when decommissioned and prior to being placed on salvage with Supply Management Services.

Information Technology Infrastructure and Innovation

The University's information technology system is challenged by the constant need to innovate, implement, and update technology at a rate that maintains or improves the University's competitive position relative to other post-secondary educational institutions, while also satisfying the needs of the University community.

To address these concerns, the University of Regina has implemented the following initiatives:

- The University Information Technology Steering Committee is in place and allows all areas of the University to submit project proposals on the implementation of new technology applications, hardware, process, or service. The committee vets and prioritizes the order of implementation;
- IS support staff are encouraged and expected to stay current with new technologies, particularly in the mobile device arena;
- Best practices have been established for delivery of services based on recognized industry standards for ITIL and COBIT, ISO, PMBOK, and PRINCE2;
- Centrally provisioned personal computers and laptops are replaced every five years;
- Asset tracking of individual systems and commodities to ensure these assets do not exceed their useful life; and,
- Annual review and update of the policy of supported technologies to maintain currency with technologies available on the market.

Strategic Alliance and Academic Partnership

The University of Regina relies on successful partnerships to deliver many of its programs, services, and research results. Central to this success is the maintenance of positive and productive relationships with the University's three federated colleges – Luther College, Campion College, and the First Nations University of Canada (FNUniv). The University and federated colleges have formal teaching agreements in place for various programs, which provide access to academic programming at various institutions within and outside the province of Saskatchewan.

The current and long-term success of FNUniv affects both the educational experience of its students, as well as the University of Regina's broader reputation. Through the federation agreement, the University of Regina oversees the academic appointments for FNUniv. The University and FNUniv are, at present, working jointly to develop a transition plan that will address the end of the Advisory Services Agreement that has been in place since 2014 and flowed from the initial Memorandum of Understanding signed in 2010.

Strategic Communication

Failing to communicate major milestones regarding developing issues important to the University and to government could expose the University to a relationship management risk. More structured and regularized communication protocols with government have been implemented, which include, as noted earlier, regular meetings on strategic issues with the Ministry of Advanced Education, and enhanced efforts at building relationships with government.

Barriers to inter-campus and inter-faculty collaboration and inadequate internal communication also have the potential to impact the University's decision making and issue management strategy. The University's External Relations unit has made a number of important strides toward improving the University's communications protocol, including: working toward developing a robust issues management strategy; establishing an informal communications working group to monitor and proactively address issues that involve or impact the University; and establishing metrics and targets to measure outcomes of communication initiatives geared at both internal and external audiences.

Significant Health or Personal Safety Incident

There is growing awareness across Canada and North America of the importance of supporting individual student and staff member mental health, in the interest of mitigating potential risks to the individual or others, and in order to build a strong, healthy, and supported campus community. In the wake of several incidents at other university campuses this year, the University of Regina has made a concerted effort to monitor non-academic misconduct and potential early signs of violence or mental health issues, as well as to provide adequate and effective counselling and education services for students or staff who may be in need.

The University is in the process of establishing a mental health advisory committee, which will make recommendations to the President on programs and services aimed at supporting mental health on campus. In addition, a formal committee called the Early Intervention Team is in place, which monitors and proactively addresses issues that involve non-academic misconduct and risk of violence. Finally, the University has made efforts to increase the resources available to support student counselling services (available through the Student Affairs unit).

Fraud

Fraud, theft, and/or the misappropriation of University assets have the risk of causing financial loss for the University of Regina, as well as negatively affecting the institution's reputation. In 2014, the University engaged Grant Thornton LLP to develop the University's audit universe, which was completed and is now being used to guide the work of the Internal Audit function of the University.

To reduce the vulnerability of the University to risks associated with fraud, the Financial Services and Supply Management Services units have implemented various preventative and detective controls and monitoring processes.

Management Discussion and Analysis

Environment Overview

Many Canadian universities experienced significant financial challenges again in 2014-15 as the result of static – or, in some cases, reduced – government funding and other factors including inflationary costs, constraints on tuition increases, declining enrolments, continuing low interest rates, and/or pension deficits. In this national context, the University of Regina has managed its challenges prudently and effectively.

Enrolment

Now at an all-time high, enrolment increased in 2014-15 for the sixth consecutive year, with Fall and Winter course registrations up by more than 2% and Spring/Summer up by 8%. In early September 2014, enrolments topped 14,000 for the first time ever. The University's population of self-declared Aboriginal students grew by 6%, to compose more than 11% of the student body. International student enrolment rose by 11%, to 13% of all students.

Operating Budget

The Government of Saskatchewan provided a 2.1% or $2.136 million increase in operating grant funding to the University for on-going activities. Additional funding of $600,000 was provided for the continued roll-out of the Saskatchewan Collaborative Bachelor of Science in Nursing program, and $150,000 for the initiation of a Master of Nursing program for nurse practitioners. Undergraduate tuition rates were increased for all programs by 3.8%.

The 20th consecutive balanced operating budget exceeded $200 million for the first time in the University's history. It contained a total of $2.25 million of re-investments in Faculties and research priorities. There were no operating budget reductions for academic units. Budget reductions totalling $446,000 were required from administrative units, in addition to the elimination of three senior management positions.

A Voluntary Incentive Program for Retirement was offered to 77 employees of the University in 2014, 51 of whom chose to accept. Of these positions, 18 were re-staffed that same year. Savings of $1.5 million from the vacated positions assisted in achieving the balanced operating budget. The remaining 33 vacant positions were left to be reviewed as part of the 2015-16 budget process. The incentives included in the program were financed from uncommitted 2013-14 funds.

The operating fund ended 2014-15 with a deficit of $153,000 after providing funding to support a number of one-time initiatives and opportunities. Targeted projects included:

- Matching funds for the Universities Canada (formerly AUCC) Jubilee Scholarship program;
- College Avenue campus revitalization project;
- Information management systems for the Research Office and for Human Resources; and,
- University marketing and student recruitment initiatives, especially in new and emerging markets.

Academics and Student Support

The 2014-15 operating budget provided funding for 21 new academic positions; it also provided permission to fill nine vacant academic positions. Additional funding was provided to Faculties and to central student services to increase student counselling and advising service capacity and student practicum placement coordination in the face of growing demand. Teaching equipment budgets of $200,000 each were established in two faculties to ensure a modest amount of replacement and renewal while relieving pressure on the capital budget. Support for research activities increased by $458,000. The continued roll-out of the Collaborative Bachelor of Science in Nursing program was budgeted with an increase of $1.16 million for 2014-15, with targeted funding from the province and the associated tuition revenue.

Student Finances

The total of undergraduate tuition and fees (the "bottom line" paid by undergraduate students) at the University of Regina is still among the lowest in the country. For 2014-15, 17 of 59 English-language universities in Canada had a total tuition and mandatory fee package for an undergraduate Arts student that was less than the total tuition and fees at the University of Regina; our total cost remains affordable.

The University's 2014-15 operating budget included an increase of $1.5 million in scholarship and bursary funding, bringing the total to more than $7.6 million annually. This 24% increase from the 2013-14 budget included new funding from the Saskatchewan Advantage Scholarship program, as well as additional allocations from the University's funds. This amount offset 11% of the tuition and fee revenue in the University's operating budget. In addition, financial support for students comes from the University's trust and endowment funds and from various other organizations and sponsors.

New residences, scheduled to open September 2015.

Graduate tuition increases ranged from 3 to 5% in 2014-15. There were no changes in international students' tuition and fee structure. Graduate student financial support in the operating budget increased by $231,000.

Capital Funding

The University's 2014-15 capital expenditure budget of $48.7 million included $40.3 million for the student housing/child care/parkade project, $900,000 for a building roof replacement project, $2.1 million for other plant renovations and adaptations, $0.6 million for equipment replacement, and $4.4 million for debt repayment related to recent capital projects.

The provincial government grant for sustaining capital (now called the Preventative Maintenance and Renewal fund) increased by 13% or $517,000 compared to 2013-14. In addition, provincial funding of $400,000 was received for the University's Gyms 1 and 2 Roof Replacement Project from a fund established within the Ministry of Advanced Education for this purpose. The University was required to match this funding from its own resources.

Pensions

Many Canadian universities and other public institutions continue to struggle with pension shortfalls and their impact on operating budgets. Through sound financial management over the years, the University of Regina pension plans have not had a significant impact on the University's operating budget. The University's two plans (the Academic and Administrative Group and the Non-Academic Group) filed actuarial valuations for the year ending December 31, 2012 with the Saskatchewan Superintendent of Pensions. Both plans had neutral going-concern positions once the Non-Academic Plan's matched contribution rates were increased to 8.75% and the University contributed an additional 2.18% until 2022 or until a subsequent valuation deems the additional contribution unnecessary. New actuarial valuations for both plans will be completed and filed with the Superintendent of Pensions no later than September 30, 2016.

Ancillaries

The new food services contractor that began operations in 2011-12 continued to produce much-improved financial results. The University of Regina's residences for 2014-15 were fully occupied. In 2012-13, the provincial government announced approval of a capital project at the University to add 605 residence rooms and 90 childcare spaces. The government is contributing $10 million for this project from SaskHousing, and is contributing $1.38

million for 90 childcare spaces from the Ministry of Education. The University is hopeful that additional funding will be provided by the provincial government in the 2015-16 fiscal year. The project has a planned occupancy date of September 1, 2015.

Financial highlights

In 2014-15, the University recorded revenues of $269,032,000, expenses of $254,710,000, and employee future benefit remeasurements of $(417,000), for a net change in fund balance of $13,905,000 which created an overall positive fund balance for the University of $281,124,000.

Making up the General Fund are the Operating Fund, Vacation Pay and Pension Accrual Fund, Ancillary Fund, and Special Projects Fund. The Restricted Fund is comprised of the Capital Asset Fund, Research Fund and Trust Fund.

The Operating Fund net change in fund balance for the year of $(153,000) brought the total unrestricted accumulated Operating Fund balance to $2,435,000. Restricted fund balances include $39,057,000 permanently restricted in the Endowment Fund, $68,339,000 temporarily externally restricted, and $146,365,000 invested in Capital Assets.

Operating Fund

Within the General Fund, management focuses much of its time on budgeting and monitoring the Operating Fund to ensure that the University continues to be a strong, effective organization, pursuing the goals set out in its Strategic Plan.

Provincial operating funding for 2014-15 of $109,969,000 (including flow-through scholarship funding of $3.2 million) represented approximately 56% of the University's Operating Fund revenue (down from 58% two years ago). Students' tuition and fees represented 36% of operating fund revenue.

Table 1 provides the financial results of the Operating Fund regrouped to be comparable to the University's method of budgeting. The presentation of these results does not follow generally accepted accounting principles (GAAP) as published by the Chartered Professional Accountants of Canada in that transfers-in and internal recoveries are treated as revenues in the budget and transfers-out and remeasurements are treated as expenses, while in the audited financial statements, internal recoveries are netted against expenses and transfers and remeasurements appear below the net revenues (expenses) line. Non-GAAP measures are relevant for internal budgeting purposes because the use of funds by a unit represents an expenditure of that unit regardless of whether the funds are paid to an external party or to an internal University unit such as Printing Services or the Bookstore.

The Net Operating Position in Table 1 equals the audited net increase in fund balance for the Operating Fund, as found in Statement 4 of the University's financial statements.

The budget shown in Table 1 differs from the Operating Fund budget disclosed in Note 21 – Budget Versus Actual for 2015 in the financial statements as it includes budget adjustments made during the year. Also, the budget amounts in Note 21 have been regrouped to be comparable to the audited financial statements.

Table 1. Operating Fund results ($000)

	2013-14 Actual	2014-15 Actual	Variance	% Change	2014-15 Budget	2014-15 Actual	Variance	% Change
REVENUES								
Government Grants	$ 109,550	$ 113,161	$ 3,611	3.30%	$ 113,048	$ 113,161	$ 113	0.10%
Student Fees	66,093	71,712	5,619	8.50%	70,225	71,712	1,487	2.12%
Other Income	708	595	(113)	-15.96%	687	595	(92)	-13.39%
Transfers	1,936	1,878	(58)	-3.00%	1,836	1,878	42	2.29%
Total Non-grant Revenue	68,737	74,185	5,448	7.93%	72,748	74,185	1,437	1.98%
Operating Recoveries	17,189	17,525	336	1.95%	14,435	17,525	3,090	21.41%
Total Revenues	195,476	204,871	9,395		200,231	204,871	4,640	
EXPENSES								
Salaries and Benefits	144,522	146,613	2,091	1.45%	147,848	146,613	(1,235)	-0.84%
Utilities	7,361	7,278	(83)	-1.13%	7,607	7,278	(329)	-4.32%
Other Expenses	43,663	51,133	7,470	17.11%	44,776	51,133	6,357	14.20%
Total Expenses	195,546	205,024	9,478	4.85%	200,231	205,024	4,793	2.39%
Net Operating Position	$ (70)	$ (153)	$ (83)		$ -	$ (153)	$ (153)	

2014-15 Actual Compared to 2013-14 Actual

Government grants: The total government grants increased by approximately 3.3%. Of this increase, $0.8 million was for the continued rollout of the nursing program, and $0.6 million was for the third year of implementation of the Saskatchewan Advantage Scholarship program, the funds of which were fully distributed to students.

Tuition and fees: The combination of tuition and fee rate increases and enrolment increases resulted in an 8.5% increase in student fees revenue, or $5.6 million.

Operating recoveries: Increased recoveries not localized to one particular area of the University resulted in an increase of 2.0%, or $0.3 million.

Salaries and benefits: The total cost of employee remuneration and benefits (including cost of living adjustments, career growth increments, and merit and performance pay) resulted in a total increase of 1.5%, or $2.1 million.

Utilities: Decreases in commodity costs led to decreased utility costs. As a result, expenditures on utilities decreased by 1.1%, or $0.1 million.

Other expenditures: In the current year, the General Operating fund provided one-time funding for a variety of projects including matching funds for the Universities Canada Queen Elizabeth II Diamond Jubilee Scholarship program, funding for the College Avenue Campus revitalization, and for software solutions for managing research projects and faculty and staff performance reviews. In the current year, inflation in the remaining areas of University operations coupled with the one-time funding noted above resulted in an overall increase in general expenditures of 17.1%, or $7.5 million.

2014-15 Actual Compared to 2014-15 Budget

Student fees exceeded budget by $1.5 million, operating recoveries exceeded budget by $3.1 million, salaries and benefits were lower than budget by $1.2 million, and utilities were lower than budget by $0.3 million. These variances were offset in "other expenses" that exceeded budget by $6.4 million, and are due to five primary factors:

- There was higher-than-expected student enrolment, with a higher percentage being international students and graduate students;
- During the year, the University experienced delays in filling some budgeted tenured faculty positions, resulting in salaries and benefits being lower than budget;
- The University followed the expenditure constraint objective of the Province. The savings achieved increased the year-end carryforwards, which in turn increased "other expenses" since the University funds all carryforward;
- The University made investments into strategic initiatives as one-time investments, which show as "other expenses". These are not budgeted, and are made once the University determines if money is available for these initiatives; and,
- The favourable operating recoveries budget is generated by recovering the other expenses that exceeded budget, helping ensure that the University maintains a balanced operating budget overall.

Ancillary Fund

In 2014-15, the Ancillary Fund had a positive net change in fund balance of $196,000 compared to a budgeted loss of $308,000.

- **Parking Services:** Parking Services had a favourable variance of $324,000. This is a result of higher than anticipated parking meter revenue. There were also cost savings from not filling vacant positions as well as some amortizations being delayed due to the delay in completing lot 3 and a delay in software purchases.

- **Bookstore:** The $326,000 unfavourable revenue variance for the Bookstore is a result of decreased sales of new and used textbooks. The resulting reduction in the cost of sales accounts for the $121,000 favourable variance in the expenses.

- **Printing Services:** The $245,000 unfavourable revenue variance for Printing Services is a result of continued reductions in internal and external printing and duplicating sales. The resulting reduction in the cost of sales along with a reduction in full-time salaries accounts for the $149,000 favourable variance in the expenses.

- **Residences:** With a favourable variance of $536,000, the residence offices had a successful year due in part to record enrolments of students from outside the Regina area and to a tight rental housing market in the city. For the Fall and Winter semesters the residences were full. Additional revenue was generated for the residences by the North American Indigenous Games, contributing to the favourable revenue variance.

Table 2 provides the financial results of the Ancillary Fund regrouped to be comparable to the Ancillary's method of budgeting. The presentation of these results does not follow generally accepted accounting principles as published by the Chartered Professional Accountants of Canada in that certain transfers in are treated as revenues,

while certain transfers out are treated as expenses. The Total Ancillaries Actual Net Position in Table 2 equals the audited net decrease in fund balance for the Ancillary Fund, as found in Statement 4 of the University's financial statements.

The Total Ancillaries Revenue and Expense Budget figures shown in Table 2 differ from the Ancillary Fund budget disclosed in Note 21 – Budget Versus Actual for 2015 in the financial statements because the budget amounts in Note 21 have been regrouped to be comparable to the audited financial statements.

Table 2. Ancillary Fund results ($000)

	2014-15 BUDGET			2014-15 ACTUALS			VARIANCE		
	Revenues	Expenses	Net position	Revenues	Expenses	Net position	Revenues	Expenses	Net position
Parking Services	$ 2,960	$ 2,910	$ 50	$ 3,211	$ 2,837	$ 374	$ 251	$ 73	$ 324
Bookstore	5,649	5,496	153	5,323	5,375	(52)	(326)	121	(205)
Printing Services	1,226	1,226	-	981	1,077	(96)	(245)	149	(96)
Food Services	754	633	121	748	683	65	(6)	(50)	(56)
Leased Space	49	2	47	51	3	48	2	(1)	1
Total Before Residences	10,638	10,267	371	10,314	9,975	339	(324)	292	(32)
Residences	6,820	7,499	(679)	7,256	7,399	(143)	436	100	536
Total Ancillaries	$ 17,458	$ 17,766	$ (308)	$ 17,570	$ 17,374	$ 196	$ 112	$ 392	$ 504

Looking forward

With the launch of the new strategic plan, ***peyak aski kikawinaw: Together We are Stronger***, the University of Regina is moving forward with an enhanced commitment to supporting student success, celebrating research excellence and impact, and working with our communities to create a better world for future generations. Through this plan, we have laid the foundation for continued growth, while ensuring that Indigenization and sustainability remain central to all of our activities.

Our previous strategic plan served our University well from 2009-14 and saw the institution through significant growth and change. Our campus community has much to be proud of, including several new programs to meet growing student and labour-market demand, greater diversity of students, and an expanding campus infrastructure to better serve our community.

With a new strategic plan to guide us, the University of Regina is positioned well for continued growth. Despite fiscal and demographic challenges facing post-secondary institutions across the country, the University was able to present a balanced budget in 2014-15, the institution's 20th consecutive balanced budget. This was achieved through careful consideration of our goals and priorities, and with a view to ensuring the long-term sustainability of our University. Though funding challenges are likely to persist in the years to come, the University is committed to finding ways of diversifying our opportunities, while remaining focused on student experience, leadership in our community, and research excellence.

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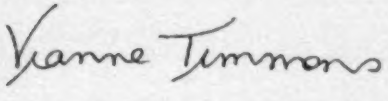
Statement of Management Responsibility

The University is responsible for the preparation of the financial statements and has prepared them in accordance with Canadian accounting standards for not-for-profit organizations, as published by the Chartered Professional Accountants Canada (CPA Canada). The University believes the financial statements present fairly the University's financial position as at April 30, 2015 and the results of its operations for the year then ended.

The University's Board of Governors is responsible for overseeing the business affairs of the University and also has the responsibility for approving the financial statements. The Board has delegated certain of the responsibilities to its Audit and Risk Management Committee, including the responsibility for reviewing the annual financial statements and meeting with management and the Provincial Auditor of Saskatchewan on matters relating to the financial process. The Provincial Auditor has full access to the Audit and Risk Management Committee with or without the presence of management.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the financial statements. The internal controls provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly guarded against unauthorized use and that reliable records are maintained. The Provincial Auditor of Saskatchewan reports to the Board as to the adequacy of these controls.

The financial statements for the year ended April 30, 2015 have been reported on by the Provincial Auditor of Saskatchewan, the auditor appointed under *The University of Regina Act*. The Auditor's Report on the following page outlines the scope of her examination and provides her opinion on the fairness of presentation of the information in the financial statements.



Vianne Timmons
President and Vice-Chancellor

David B. Button
Vice-President (Administration)

Regina, Saskatchewan
July 7, 2015

Independent Auditor's Report

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the University of Regina, which comprise the statement of financial position as at April 30, 2015, and the statements of operations and changes in fund balances and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

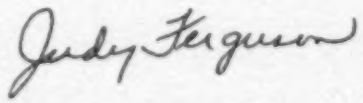
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the University of Regina as at April 30, 2015, and the results of its operations and changes in fund balances and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Regina, Saskatchewan
July 7, 2015

Judy Ferguson, FCPA, FCA
Provincial Auditor

Statement of Financial Position

For the Year Ended April 30, 2015 **Statement 1**

	April 30, 2015 (000's)	April 30, 2014 (000's) (Restated - Note 24)
Current Assets		
Cash (Note 2)	$ 9,075	$ 10,137
Accounts receivable (Note 3)	27,601	25,922
Inventories	2,155	2,418
Prepaid expenses	3,130	2,871
Short-term investments (Note 4)	56,029	50,020
Risk management asset (Note 8)	-	209
	97,990	91,577
Long-Term Assets		
Long-term investments (Note 4)	74,477	106,234
Accrued pension benefit asset (Note 11)	9,228	9,076
Capital assets (Note 5)		
Tangible assets	279,364	250,378
Intangible assets	1,065	636
	364,134	366,324
	$ 462,124	$ 457,901
Current Liabilities		
Accounts payable and other accrued liabilities (Note 7)	$ 22,539	$ 36,610
Deferred income	1,661	1,376
Deferred contributions	723	605
Current portion of long-term debt (Note 9)	112,351	115,757
Risk management liability (Note 8)	21,536	14,069
	158,810	168,417
Long-Term Liabilities		
Long-term debt (Note 9)	1,013	1,091
Accrual for employee future benefits (Note 11)	20,193	20,209
Asset retirement obligation (Note 12)	225	215
Indemnity Deposit (Note 22)	759	750
	22,190	22,265
Fund Balances		
Maintained permanently as endowments	39,057	35,074
Externally restricted funds	68,339	71,860
Invested in capital assets	146,365	141,139
Internally restricted funds (Note 13)	9,347	9,687
Unrestricted funds	18,016	9,459
	281,124	267,219
	$ 462,124	$ 457,901

Approved by the Board of Governors

Chair, Board of Governors

Chair, Audit & Risk Management Committee

The accompanying notes are an integral part of these financial statements.

Statement of Operations and Changes in Fund Balances

For the Year Ended April 30, 2015 **Statement 2**

	General (000's)	Restricted (000's)	Endowment (000's) (Note 21)	Total (000's)	Total 2014 (000's) (Restated - Note 24)
Revenues					
Grants and contracts					
Government of Canada	$ 1,911	$ 11,364	$ -	$ 13,275	$ 14,363
Government of Saskatchewan (Note 22)	110,487	16,223	-	126,710	122,172
Other	1,033	1,346	-	2,379	2,770
Student fees	71,090	-	-	71,090	65,978
Contributions, gifts, donations and bequests	984	9,819	306	11,109	10,970
Sales of services and products	30,904	1,146	-	32,050	31,656
Investment income and unrealized gain (Note 16)	534	5,570	3,282	9,686	12,703
Miscellaneous income	2,720	13	-	2,733	2,035
	219,663	45,781	3,588	269,032	262,647
Expenses **(Note 19)**					
Salaries	129,077	4,003	-	133,080	129,529
Employee benefits (Note 17)	22,304	663	-	22,967	26,017
Operational supplies and expenses	15,326	2,483	-	17,809	18,305
Travel	4,010	1,425	-	5,435	5,173
Cost of goods sold	3,561	228	-	3,789	3,404
Equipment, rental, maintenance & renovations	9,532	2,679	-	12,211	10,769
Utilities	7,129	34	-	7,163	7,380
Amortization of capital assets	417	15,524	-	15,941	15,705
Loss on disposal of capital assets	-	130	-	130	341
Scholarships, bursaries, prizes, grants	9,195	14,412	-	23,607	22,636
Interest and unrealized loss (Note 18)	2,620	8,266	-	10,886	3,895
Wascana Centre Authority levy (Note 22)	841	-	-	841	820
Bad debt expense	846	5	-	851	329
	204,858	49,852	-	254,710	244,603
Excess of revenues over expenses	14,805	(4,071)	3,588	14,322	18,044
Interfund transfers (Note 20)	(5,831)	5,436	395	-	-
Employee future benefit remeasurements (Note 11)	(417)	-	-	(417)	3,292
Net increase in fund balances for year	8,557	1,365	3,983	13,905	21,336
Fund balances, beginning of year	9,459	222,686	35,074	267,219	245,883
Fund balances, end of year	$ 18,016	$ 224,051	$ 39,057	$ 281,124	$ 267,219

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows

For the Year Ended April 30, 2015 **Statement 3**

	General	Restricted	Endowment	Total	Total 2014
	(000's)	(000's)	(000's)	(000's)	(000's) (Restated - Note 24)
Operating Activities					
Excess (deficiency) of revenues over expenses	$ 14,805	$ (4,071)	$ 3,588	$ 14,322	$ 18,044
Add back items not affecting cash:					
Amortization of capital assets	417	15,524	-	15,941	15,705
Accretion of asset retirement obligation	-	10	-	10	9
Change in unrealized gain/loss on investments	-	(286)	(1,211)	(1,497)	(6,458)
Change in unrealized gain/loss on risk management liability	448	7,228	-	7,676	(814)
Change in unrealized foreign exchange gain/loss	-	(1,218)	-	(1,218)	(1,086)
Loss on disposal of capital assets	-	130	-	130	341
Less contributions for endowment and asset purchases	-	(713)	(306)	(1,019)	(2,914)
(Increase) decrease in non-cash working capital	(5,694)	(9,704)	-	(15,398)	7,788
Change in accrued pension benefit asset/liability	(23)	-	-	(23)	(3,406)
Change in non-pension accrual for employee future benefits	(146)	-	-	(146)	1,464
Employee future benefit remeasurements	(417)	-	-	(417)	3,292
Cash generated by operating activities	9,390	6,900	2,071	18,361	31,965
Investing Activities					
Purchases of investments	(100,136)	(33,870)	(10,723)	(144,729)	(137,679)
Sales of investments	100,007	65,234	7,952	173,193	96,389
Purchases of capital assets:					
Buildings	-	(38,306)	-	(38,306)	(38,495)
Site improvements	-	(1,617)	-	(1,617)	(2,019)
Furnishings and equipment	(2,010)	(2,442)	-	(4,452)	(5,858)
Software	-	(529)	-	(529)	(319)
Library resources	(581)	-	-	(581)	(718)
Cash used in investing activities	(2,720)	(11,530)	(2,771)	(17,021)	(88,699)
Financing Activities					
Issuance of long-term debt	-	-	-	-	63,624
Repayment of long-term debt	-	(3,484)	-	(3,484)	(3,246)
Repayment of long-term loan receivable	-	54	-	54	105
Issuance of internal loans	(473)	473	-	-	-
Issuance of long-term indemnity deposit	9	-	-	9	750
Repayment of long-term indemnity deposit	-	-	-	-	(771)
Contributions of cash for endowments	-	-	306	306	577
Contributions of cash for purchase of assets	-	713	-	713	2,337
Cash (used in) generated by financing activities	(464)	(2,244)	306	(2,402)	63,376
Net change in cash	6,206	(6,874)	(394)	(1,062)	6,642
Interfund adjustments	(3,656)	3,262	394	-	-
Cash, beginning of year	28,618	(18,481)	-	10,137	3,495
Cash, end of year	$ 31,168	$ (22,093)	$ -	$ 9,075	$ 10,137

The accompanying notes are an integral part of these financial statements.

Statement of Operations and Changes in Fund Balances – General Fund

For the Year Ended April 30, 2015 **Statement 4**

	Operating (000's) (Note 21)	Vacation Pay and Pension Accrual (000's)	Ancillary (000's) (Note 21)	Special Projects (000's) (Note 21)	Total (000's)	Total 2014 (000's) (Restated - Note 24)
Revenues						
Grants and contracts						
Government of Canada	$ 1,511	$ -	$ -	$ 400	$ 1,911	$ 1,913
Government of Saskatchewan (Note 22)	110,083	-	-	404	110,487	107,031
Other	442	-	-	591	1,033	852
Student fees	70,955	-	-	135	71,090	65,974
Contributions, gifts, donations and bequests	165	-	-	819	984	922
Sales of services and products	12,291	-	16,132	2,481	30,904	30,765
Investment income and unrealized gain (Note 16)	534	-	-	-	534	1,181
Miscellaneous income	1,993	-	612	115	2,720	1,922
	197,974	-	16,744	4,945	219,663	210,560
Expenses						
Salaries	124,011	-	3,263	1,803	129,077	125,932
Employee benefits (Note 17)	22,610	(914)	428	180	22,304	25,686
Operational supplies and expenses	11,605	-	1,806	1,915	15,326	15,619
Travel	3,068	-	19	923	4,010	3,632
Cost of goods sold	435	-	3,126	-	3,561	3,215
Equipment, rental, maintenance & renovations	7,602	-	1,293	637	9,532	8,783
Utilities	6,468	-	656	5	7,129	7,351
Amortization of capital assets	-	-	417	-	417	416
Loss on disposal of capital assets	-	-	-	-	-	-
Scholarships, bursaries, prizes, grants	8,908	-	-	287	9,195	8,668
Interest and unrealized loss (Note 18)	737	-	1,883	-	2,620	1,981
Wascana Centre Authority levy (Note 22)	841	-	-	-	841	820
Bad debt expense	844	-	2	-	846	326
	187,129	(914)	12,593	5,750	204,858	202,429
Excess (deficiency) of revenues over expenses	10,845	914	3,851	(805)	14,805	8,131
Interfund transfers (Note 20)	(11,002)	-	(3,655)	8,826	(5,831)	(6,659)
Employee future benefit remeasurements (Note 11)	4	(421)	-	-	(417)	3,292
Net increase (decrease) in fund balances for year	(153)	493	196	8,021	8,557	4,734
Fund balances, beginning of year	2,588	(13,128)	(7,158)	27,157	9,459	4,725
Fund balances, end of year	$ 2,435	$ (12,635)	$ (6,962)	$ 35,178	$ 18,016	$ 9,459

The accompanying notes are an integral part of these financial statements.

Statement of Operations and Changes in Fund Balances – Restricted Fund

For the Year Ended April 30, 2015 **Statement 5**

	Capital Asset (000's) (Note 21)	Research (000's) (Note 21)	Trust (000's) (Note 21)	Total (000's)	Total 2014 (000's) (Restated - Note 24)
Revenues					
Grants and contracts					
Government of Canada	$ -	$ 10,609	$ 755	$ 11,364	$ 12,450
Government of Saskatchewan (Note 22)	13,265	2,642	316	16,223	15,141
Other	-	1,296	50	1,346	1,918
Student fees	-	-	-	-	4
Contributions, gifts, donations and bequests	-	179	9,640	9,819	9,471
Sales of services and products	479	667	-	1,146	891
Investment income and unrealized gain (Note 16)	1,168	-	4,702	5,870	7,953
Miscellaneous income	-	-	13	13	113
	14,912	15,393	15,476	45,781	47,941
Expenses					
Salaries	-	3,703	300	4,003	3,897
Employee benefits (Note 17)	-	386	277	663	331
Operational supplies and expenses	121	2,316	46	2,483	2,686
Travel	-	1,411	14	1,425	1,541
Cost of goods sold	-	228	-	228	189
Equipment, rental, maintenance & renovations	2,266	391	22	2,679	1,986
Utilities	-	34	-	34	29
Amortization of capital assets	15,524	-	-	15,524	15,289
Loss on disposal of capital assets	130	-	-	130	341
Scholarships, bursaries, prizes, grants	-	3,360	11,052	14,412	13,968
Interest and unrealized loss (Note 18)	8,266	-	-	8,266	1,914
Bad debt expense	-	-	5	5	3
	26,307	11,829	11,716	49,852	42,174
(Deficiency) excess of revenues over expenses	(11,395)	3,564	3,760	(4,071)	5,767
Interfund transfers (Note 20)	9,966	(3,665)	(865)	5,436	6,364
Net increase (decrease) in fund balances for year	(1,429)	(101)	2,895	1,365	12,131
Fund balances, beginning of year	163,529	27,752	31,405	222,686	210,555
Fund balances, end of year	$ 162,100	$ 27,651	$ 34,300	$ 224,051	$ 222,686

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

Description of Organization

The University of Regina (University) became an autonomous institution on July 1, 1974 by an Act of the Saskatchewan Legislature. Its authority is *The University of Regina Act*, Chapter U-5, of the Province of Saskatchewan. The University is a registered charitable organization under the *Income Tax Act*.

The purpose of the University is the preservation, transmission, interpretation and enhancement of the cultural, scientific and artistic heritage of the human race, and the acquisition and expansion of new knowledge and understanding.

1. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with Part III of the Chartered Professional Accountants Canada Handbook – Accounting Standards for Not-for-Profit Organizations. The University's significant accounting policies are as follows:

a) Fund Accounting

The University recognizes contributions in accordance with the restricted fund method. Under fund accounting, resources are classified for accounting and reporting purposes into funds in accordance with specified activities or objectives.

The Statement of Operations and Changes in Fund Balances shows the total revenues and expenses of the University, after elimination of interfund transactions with ancillaries and internal cost recoveries. The University has classified accounts with similar characteristics into major funds as follows:

The General Fund

The General Fund accounts for the University's program delivery, service and administrative activities. This fund reports unrestricted resources. The General Fund is further classified as Operating, Vacation Pay and Pension Accrual Fund, Ancillary, and Special Projects.

- General – Operating Fund contains the academic, administrative and operational costs that are funded by tuition and related fees, government grants, investment and miscellaneous income, and sales of goods and services to external parties. As such, this Fund reports unrestricted resources and restricted resources earmarked for general operating purposes.
- General – Vacation Pay and Pension Accrual Fund records the amount of unpaid vacation pay for academic and non-academic staff. It also records the accrued pension benefit asset or liability and the pension expense, other than the amount of the pension expense equal to employer contributions, which is recorded in the fund from which it is paid.
- General – Ancillary Fund is composed of Ancillary Enterprises that provide goods and services to the University community. They are composed of the Bookstore, Residence Services, Printing Services, Parking Services, Food Services, automated teller machines and confectionery store. Ancillary Enterprises operate on a fee-for-service basis and must be self-funding. Charges to other University funds are eliminated for financial statement purposes by removing them from Ancillary revenues and expenses.
- General – Special Projects Fund consists of a number of individual funds used to track operating projects' costs and recoveries. These projects involve consulting, training, and time-limited projects.

The Restricted Fund

The Restricted fund reports only restricted resources that are to be used for specific purposes. The Restricted Fund is further classified as Capital Asset, Research, and Trust.

- Restricted – Capital Asset Fund holds all capital assets owned by the University along with the long-term debt on certain of these capital assets.
- Restricted – Research Fund consists of grant and contract income and expenses specifically identified for research or related activities as restricted by granting agencies, research institutes and other public and private organizations, and any amounts internally restricted for research spending.
- Restricted – Trust Fund consists of externally restricted resources that may be used in their entirety within the restrictions established by the provider of the funds. The bulk of these funds are restricted for the provision of scholarships or annual lectures. The Fund also includes amounts internally restricted to be used for future parking facilities.

The Endowment Fund

The Endowment Fund reports resources contributed for endowment. Restrictions placed on the money by the original provider preclude the original donation from being spent.

b) Revenue Recognition

i) Student fees

Student fees are recognized as revenue in the year the related classes are held.

ii) Grants

Operating grants from the provincial government are unrestricted in purpose, and their use corresponds with the government's April to March fiscal year. The University records this revenue in the General Fund proportionately over its fiscal year, as long as amounts can be reasonably estimated and ultimate collection reasonably assured. If amounts received relate to periods after the fiscal year-end, it is considered a restricted contribution recorded in an unrestricted fund, and is therefore recorded as a deferred contribution.

Restricted grants are recorded as revenue in the appropriate restricted fund when received or receivable, as long as amounts can be reasonably estimated and ultimate collection reasonably assured.

iii) Contracts

Revenue from contracts is recorded as the service or contract activity is performed. Contract payments received prior to the service or activity being performed are recorded as revenue in an applicable restricted fund, or as deferred revenue in the General Fund if no applicable restricted fund exists. Although rare, where money is received in advance and where the terms of a restricted contract indicates unspent funds must be returned, any return of this money is netted against contract revenue in the applicable restricted fund.

iv) Gifts, donations, bequests and pledges
Gifts and donations are recorded as revenue in the appropriate fund in the fiscal period in which they are received; however, restricted contributions that do not correspond to any restricted fund are recognized as revenue in the same period(s) as the related expenses. Gifts-in-Kind, including works of art, equipment, investments and library holdings, are recorded at fair market value on the date of their donation.

Pledges and bequests are recorded as contributions in the period when pledged or bequeathed if the amounts to be received can be reasonably estimated and if ultimate collection is reasonably assured. Pledges and bequests of $10,451 (2014 - $11,713) are not included in the financial statements because their ultimate collection cannot be reasonably assured. Pledges of $0 (2014 - $12) are recorded as receivable. Of the prior year's receivable balance, $7 (2014 - $17) was received during the year and $5 (2014 - $3) was written off.

The value of donated services is not recognized in these statements.

v) Sales of services and products
External Sales of services and products are recorded as revenue at the point of sale or provision of services.

vi) Investment income and unrealized gains
Investment income and unrealized gains comprises interest from cash and receivables, interest from fixed income investments, reinvested distributions from index pooled funds, realized gains and losses on the sale of investments, unrealized appreciation and depreciation in the fair value of index pooled funds, and unrealized gains from risk management liability. Revenue is recognized on an accrual basis. Interest on fixed income investments is recognized over the terms of these investments on a time proportion basis.

vii) Miscellaneous income
Miscellaneous income comprises items such as library fines, late payment fees, certain application fees, and other revenue belonging to no other category, and is recorded in the period received or receivable.

c) Tangible and Intangible Capital assets

Purchased capital assets are recorded at cost, which includes any directly attributable costs of preparing the asset for its intended use. Donated assets are reported at fair market value when received by the University. Capitalized assets are amortized on a straight-line basis over their estimated useful lives as follows:

Asset Type	Useful Life
Buildings - temporary	20 years
Buildings - permanent	40 years
Building upgrades	5 to 30 years
Site improvements	10 to 40 years
Furnishings and equipment	3 to 30 years
Library resources	10 years
Leasehold improvements	life of lease
Intangible Assets (software)	3 to 8 years

Amortization of Ancillary-owned capital assets is recorded in the General - Ancillary Fund. All other amortization is recorded in the Restricted - Capital Asset Fund.

An estimate for disposals or withdrawals of library holdings for superseded, poor condition, irrelevant, lost or stolen books is calculated at 1.05% of the net capitalized value of library holdings at the end of the preceding year.

When a tangible or intangible capital asset no longer has any long-term service potential to the University, the excess of its net carrying amount over any residual value would be recognized as an expense. Such a write-down would not be reversed if the service potential subsequently improved.

Intellectual Property (IP) developed by University researchers can include such things as inventions, computer software, trademarks, literary, artistic, musical or visual works. The University also occasionally develops software for internal operating use. Past history has shown the University will share such software with other universities if asked, but has not sold such items. The University regularly improves its web presence through website development. The University has not recorded any intangible assets related to patents, research and development licenses, or internally developed software and websites as it is unable to measure or determine with any certainty an amount of future economic benefit that might flow to the University from these items and is unable to reliably measure the cost of creating or obtaining such items.

d) Collections

Collections are not capitalized or amortized. All additions to collections are expensed in the year purchased or donated.

e) Inventories

Inventories are valued at the lower of cost and net realizable value which is principally determined by the first in, first out method.

f) Employee future benefits

i) The University uses the immediate recognition approach to account for its defined benefit plans. Under this approach, the University determines the accrued pension benefit asset or accrual for employee future benefits based on April 30 extrapolations of December 31 actuarial valuation reports prepared for funding purposes.

ii) The accrued benefit obligations for pensions and other employee future benefits are actuarially determined using the projected benefit method prorated on services and management's best estimates of expected long-term rate of return on plan assets, retirement age, mortality, discount rates to reflect the time value of money, future salary and benefit levels, inflation and other actuarial assumptions.

iii) For the purposes of calculating the return on plan assets, the market value of assets at April 30 is extrapolated from the December 31 market value based on the long-term rate of return on assets as at April 30.

iv) Past service costs arising from pension plan amendments are included in employee future benefit remeasurements and are recognized as a change in fund balance in the year the amendment is made.

v) Actuarial gains and losses are included in employee future benefit remeasurements and are recognized as a change in fund balance in the year such gains or losses are determined. Such gains and losses can arise in a given year from (a) the difference between the actual return on plan assets in that year and the expected return on plan assets for that year, (b) the difference between the actual accrued benefit obligations at the end of the year and the expected accrued benefit obligations at the end of the year and (c) changes in actuarial assumptions.

vi) The cost of the defined contribution plans is expensed as earned by the employees.

vii) The University accounts for the cost of all employee future benefits, severance payouts, early retirement top-ups, dental premiums, disability insurance, retirement bonuses and other compensated absences on an accrual basis.

viii) During the year, the University retrospectively adopted CPA Canada Handbook Part III accounting standards *Section 3463 – Reporting employee future benefits by not-for-profit organizations*. Refer to Note 24 for details of the impact of adopting this new standard.

g) Financial Instruments

i) Measurement of financial instruments

The University initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

Financial assets subsequently measured at amortized cost include cash, accounts receivable and fixed income investments.

Financial assets subsequently measured at fair value include interest rate and commodity swap derivatives in a gain position, and shares quoted in an active market. Also, indexed pooled funds and partnership units have been designated by the University to be subsequently measured at fair value.

The University has one financial asset which is an equity instrument subsequently measured at cost less any reduction for impairment, as it is not quoted in an active market.

Financial liabilities subsequently measured at amortized cost include bank overdrafts, accounts payable, accrued liabilities, mortgages, and an indemnity deposit.

Financial liabilities subsequently measured at fair value include interest rate and commodity swap derivatives in a loss position. The University has also designated its banker's acceptance debt to be subsequently measured at fair value.

The fair values of investments in index pooled funds and partnership units are determined by reference to reporting provided by the fund managers. Changes in fair value are recognized in the statements of operations and changes in fund balances in the period incurred.

The fair values of derivative instruments are measured using quotes from the derivatives dealer.

ii) Impairment

Financial assets subsequently measured at cost or amortized cost are assessed for impairment at each reporting period. When significant adverse changes are determined to exist, being changes in the expected timing or amount of future cash flows, an impairment is recorded as a reduction, either directly or through an allowance account, to the carrying amount of the asset. Previously recognized impairments are reversed to the extent of improvements in value. The amount of impairment or impairment reversal is recognized in the statements of operations and changes in fund balances in the period incurred.

iii) Transaction costs

Transaction costs and investment management fees related to financial instruments subsequently measured at fair value are immediately recognized in net income. Transaction costs directly attributable to the acquisition and disposal of financial instruments subsequently measured at amortized cost are capitalized and are included in the acquisition costs or reduce proceeds on disposal.

h) Management estimates and measurement uncertainty

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Items involving management estimates include the following:

i) Asset retirement obligation (ARO) uses estimates of future costs, inflation and discount rates. Different estimates would affect the value of the ARO, the amount of capitalized assets, annual accretion expense and asset amortization expense related to the capitalized future site restoration costs. Management does not believe that changes in assumptions used would materially affect the amount of ARO or assets related to the ARO;
ii) Accrued pension benefit asset and Accrual for employee future benefits involve estimates of salary escalation, inflation, discount rates, investment rates of return, and mortality rates. Different estimates could materially affect these assets and obligations, and benefits expense for the year;
iii) Allowance for doubtful accounts is estimated as amounts owing for longer than 365 days plus or minus specific vendors as assessed by management. Different estimates would affect the amount of Accounts receivable and Bad debt expense for the year. Management does not believe that changes in assumptions used would have a material effect on the financial statements; and
iv) Useful lives of assets which affects annual amortization expense. Changes in the estimates of useful lives, especially for buildings, could materially affect the amount of amortization expense.

2. Cash

The University has one bank account with a balance of $8,250 at April 30, 2015 (2014 - $9,510), a second bank account at another institution with a balance of $758 (2014 - $557) and internally holds petty cash of $67 (2014 - $70). The University has a revolving line of credit at the Canadian Imperial Bank of Commerce but did not access it during the year. The revolving line of credit has a maximum borrowing limit of $5,000.

3. Accounts Receivable

Accounts receivable are composed of the following:

	2015	2014 (restated - Note 24)
Trade accounts receivable	$ 29,092	$ 26,781
Loans receivable (current portion)	-	54
Pledges receivable	-	12
Allowance for doubtful accounts	(1,491)	(925)
Net receivables	$ 27,601	$ 25,922

4. Investments

	2015	2014
Long-Term Investments		
PH&N Canadian Money Market Fund Series O	$ -	$ 1,618
PH&N Canadian Equity Fund Series O	7,769	7,719
PH&N Overseas Equity Pension Trust Series O	8,583	6,244
PH&N Enhanced Total Return Bond Fund	8,252	13,282
PH&N Mortgage Pension Trust Fund	3,671	-
GMO Global Equity	12,676	13,226
GMO Emerging Domestic Opportunities Fund	2,269	-
GIC supporting FNUniv Indemnity Deposit	759	750
Wood Gundy	1,463	1,136
Mawer Canadian Equity Pooled Fund	9,629	8,363
Bentall Kennedy Prime Canadian Property Fund Ltd. Partnership	4,103	3,972
BlackRock CDN U.S. Equity Index Class A	9,205	7,386
BlueBay Global Unconstrained HY Fund	3,356	-
GPM Real Property (11) Limited Partnership units	2,742	2,538
RBC Horizons Active Floating Rate Bond Fund	-	20,000
RBC Dynamic Investment Grade Floating Rate Bond Fund	-	20,000
	$ 74,477	$ 106,234
Held in:		
Operating Fund	$ 759	$ 750
Capital Asset Fund	-	40,000
Trust Fund	34,662	30,410
Endowment Fund	39,056	35,074
	$ 74,477	$ 106,234

	2015	2014
Short-Term Investments		
Fiera Capital Money Market Fund	$ 367	$ 247
RBCDS – GIC 1 year	-	20,000
RBC Horizons Active Floating Rate Bond Fund	18,108	14,335
RBC Dynamic Investment Grade Floating Rate Bond Fund	17,339	15,438
Arrow Exemplar Inv. Grade Fund	8,421	-
Powershares 1 - 5 year Laddered NVT Grade Corporate Bd. Index	5,901	-
RBC 1 - 5 year Laddered Corporate Bd. ETF CAD Unit	5,893	-
	$ 56,029	$ 50,020
Held in:		
Operating Fund	$ 367	$ 247
Capital Asset Fund	55,662	49,773
	$ 56,029	$ 50,020

5. Capital Assets

	Cost		Accumulated Amortization		Net Book Value	
	2015	2014	2015	2014	2015	2014
a) Tangible assets		(restated - Note 24)				(restated - Note 24)
Land	$ 1	$ 1	$ -	$ -	$ 1	$ 1
Buildings	366,453	328,445	127,551	120,001	238,902	208,444
Site Improvements	35,245	33,628	20,208	19,112	15,037	14,516
Furnishings & Equipment	79,478	76,954	59,988	56,275	19,490	20,679
Library Resources	47,383	47,298	42,764	42,140	4,619	5,158
Leasehold Improvements	2,544	2,544	1,229	964	1,315	1,580
	$ 531,104	$ 488,870	$ 251,740	$ 238,492	$ 279,364	$ 250,378
b) Intangible assets						
Software	5,257	4,729	4,192	4,093	1,065	636
	$ 5,257	$ 4,729	$ 4,192	$ 4,093	$ 1,065	$ 636

At year-end, the above capital assets include $78,541 (2014 - $42,929) in building upgrades, site improvements, software and equipment that were in progress. The upgrades are capitalized but not amortized at year-end. Building work-in-progress contains $2,299 (2014 - $0) of capitalized interest from debt directly related to the construction of the building.

During the year, the University disposed of the following amounts of assets:

- Library Resources with an original cost of $497 (2014 – $496), in accordance with the policy described in note 1(c);
- Software with an original cost of $0 (2014 - $134);
- Buildings with an original cost of $299 (2014 - $175);
- Site Improvements with an original cost of $0 (2014 - $232)
- Leasehold Improvements with an original cost of $0 (2014 - $1,893)
- Furnishings and Equipment with an original cost of $1,929 (2014 - $3,383).

The original land that was transferred to the University when it became a separate legal institution is reported on the statement of financial position at a nominal value of $1. This land includes 20 acres at the College Avenue campus and 357 acres at the main campus. In 1989, the main campus land was appraised by Crown Appraisals of Regina at four dollars per square foot for a total value of $62,204.

This University-owned land is situated within Wascana Centre, and as such, is governed by *The Wascana Centre Act* of the Province of Saskatchewan with respect to the University's ability to construct, improve, landscape, acquire or dispose of land. The University may not dispose of its land without the approval of the Wascana Centre Authority.

During fiscal year 2000, the University transferred a parcel of land totaling 32.6 acres to the Saskatchewan Indian Federated College (SIFC), now called the First Nations University of Canada (FNUniv), to accommodate their new building. In 2000, the value of this land was estimated at $8,500.

During the year, the University capitalized $93 (2014 - $120) of contributed assets.

6. Collections

Collection of Rare Books, Records and Papers

The University Library maintains a collection of rare books and runs of bound old magazines. The collection is increased either by purchases or donations, which are minimal. The University does not dispose of items in this collection.

The University of Regina Archives collects the official records of the University of Regina, and private papers in various disciplines. The University Archives currently does not purchase or sell any items. All records and papers are transferred or donated.

During the year, the University accepted donations of rare books, records and papers totaling $1 (2014 - $24).

Art Collection

The MacKenzie Art Gallery manages part of the University's art collection as described in Note 22 to these financial statements. The University also owns various works of art including paintings, banners, sculptures, and drawings. Additions to and disposals of this collection are generally few.

During the current year, the University accepted donations of art work totaling $6 (2014 - $21).

Collection of Geographical Maps

The University's map library is a reference library containing maps, air photos, atlases, globes and documents on cartography and land use. Most additions come in the form of donations from government and private individuals. It is also a depository for the National Topographic Survey, who sends new and revised maps to the library monthly. The map library does not sell any items in its collection.

Music Library Collection

The University's Faculty of Fine Arts maintains a collection of printed music for various ensembles and solo instruments. The music library does not sell any items in its collection, but may purchase very small amounts of new works to add to the collection.

7. Accounts Payable and Other Accrued Liabilities

	2015	2014 (restated - Note 21)
Trade payables and accrued liabilities	$ 12,529	$ 22,246
Accrued interest payable	352	353
Vacation pay & current employee future benefits accrual	5,293	9,832
PST payable	67	28
GST payable	123	123
Payroll and withholding taxes	4,175	4,028
	$ 22,539	$ 36,610

8. Risk Management Asset and Liability

The University has a natural gas commodity swap asset of $0 (2014 - $209) and liability of $517 (2014 - $278) and an interest rate swap liability of $21,019 (2014 - $13,791) for a total risk management asset of $0 (2014 - $209) and liability of $21,536 (2014 - $14,069).

The University has entered into a number of natural gas commodity swap agreements to manage the risk of fluctuating natural gas prices. Changes in the fair value of the derivatives are recorded in interest and unrealized loss in the General Fund.

Agreement Date	Notional Quantity in GigaJoules (GJ)/Fixed Rate per GJ	To be purchased between:	2015		2014		Unrealized gains (losses)	
			Asset	Liability	Asset	Liability	2015	2014
Oct 7/09	584,400 $6.36 - $6.76	Nov/10 and Oct/14	$ -	$ -	$ -	$ 186	$ 186	$ 513
Mar 2/10	420,050 $5.31 - $6.02	Nov/10 and Oct /14	-	-	-	92	92	303
Aug 15/12	146,000 $3.65	Nov/14 and Oct/15	-	92	95	-	(187)	86
Jun 14/13	100,375 $3.585	Nov/14 and Oct/15	-	59	72	-	(131)	72
Jun 14/13	146,400 $3.725	Nov/15 and Oct/16	-	133	42	-	(175)	42
Oct 21/14	109,800 $3.580	Nov/15 and Oct/16	-	84	-	-	(84)	-
Oct 24/14	146,000 $3.630	Nov/16 and Oct/17	-	89	-	-	(89)	-
Dec 31/14	109,500 $3.435	Nov/16 and Oct/17	-	44	-	-	(44)	-
Apr 6/15	146,000 $3.290	Nov/17 and Oct/18	-	16	-	-	(16)	-
			$ -	$ 517	$ 209	$ 278	$ (448)	$ 1,016

The University has also entered into a number of interest rate swap agreements to manage the risk of fluctuating interest rates. Changes in the fair value of these derivatives are recorded in interest and unrealized loss in the Restricted Fund. On the credit risk premium renewal date for each swap agreement, the counterparty would review any changes to the credit rating for the Government of Saskatchewan and determine if this would require a change to the credit risk premium.

(in thousands of dollars)

Interest Rate Swap Agreement, overlying Bankers' Acceptances	Effective Interest Rate Fixed at:	Interest rate effective until:	Current credit risk premium effective until:	2015 Notional Amount (Note 9)	2015 Fair Value	2014 Notional Amount (Note 9)	2014 Fair Value
FNUniv Parking Lot	5.780%	Apr 2023	Sep 2015	$ 272	$ 47	$ 298	$ 47
Luther College	5.170%	Oct 2014	Oct 2014	-	-	53	1
Residences	6.107%	Oct 2029	Sep 2015	30,192	9,037	31,450	7,808
Multi-purpose	5.260%	Dec 2024	Jan 2016	9,245	1,595	9,960	1,490
Hall A Res/Daycare	3.580%	Sep 2040	Jan 2029	58,500	9,070	58,500	3,504
2003-04	5.240%	Jan 2019	Jan 2016	454	33	561	44
2004-05	4.900%	Dec 2019	Jan 2016	707	60	838	74
2005-06	5.130%	Apr 2021	Apr 2016	888	101	1,011	109
2006-07	4.600%	Oct 2021	May 2016	941	96	1,062	100
2007-08	4.640%	Oct 2022	May 2016	1,058	123	1,173	120
2008-09	4.540%	Sep 2023	Sep 2015	1,157	142	1,268	129
2009-10	4.526%	Mar 2025	Mar 2016	1,321	148	1,424	114
2010-11	4.080%	Jan 2026	Jan 2016	1,395	152	1,498	108
2011-12	2.940%	Feb 2027	Feb 2016	1,483	67	1,586	1
2012-13	3.430%	Sep 2027	Sep 2015	4,660	348	4,956	142
				$ 112,273	$ 21,019	$ 115,638	$ 13,791

9. Current and Long-Term Debt

The details of the bankers' acceptances and debentures are as follows. No financial liabilities were in default or in a breach of any term or covenant during the period.

	Maturity	Interest Rate at April 30, 2015	2015	2014
Bankers' Acceptances supporting buildings or infrastructure, principal outstanding, at market (all current)				
FNUniv Parking Lot	May 1, 2015	1.248%	$ 272	$ 298
Luther College	matured	n/a	-	53
Residences	May 1, 2015	1.236%	30,192	31,450
Multi-purpose	May 29, 2015	1.241%	9,245	9,960
Residence - Hall A	May 1, 2015	0.998%	58,500	58,500
Bankers' Acceptances supporting capital projects, principal outstanding, at market (all current)				
2003-04	May 28, 2015	1.387%	454	561
2004-05	May 29, 2015	1.241%	707	838
2005-06	May 19, 2015	1.239%	888	1,011
2006-07	May 29, 2015	1.241%	941	1,062
2007-08	May 29, 2015	1.241%	1,058	1,173
2008-09	May 27, 2015	1.237%	1,157	1,268
2009-10	May 11, 2015	1.744%	1,321	1,424

	Maturity	Interest Rate at April 30, 2015	2015	2014
2010-11	May 14, 2015	1.443%	$ 1,395	$ 1,498
2011-12	May 8, 2015	1.446%	1,483	1,586
2012-13	May 27, 2015	1.437%	4,660	4,956

	Maturity	Interest Rate at April 30, 2015	Annual Payments	2015	2014
Debenture, secured by building					
College West Residence (asset carried at $4,735 (2014 - $4,150))	Dec 31, 2024	7.250%	$ 155	$ 1,091	$ 1,163
Daycare Centre (asset carried at $281 (2014 - $289))	matured	-	54	-	47
Total outstanding debt instruments				113,364	116,848
Less: Long-Term Portion				(1,013)	(1,091)
Current Portion				$ 112,351	$ 115,757

The principal and interest repayments for the next five years are:

	Principal	Interest
2015/16	$ 4,543	$ 4,987
2016/17	5,268	4,746
2017/18	5,524	4,488
2018/19	5,751	4,216
2019/20	5,885	3,936

10. Due to/from Other Funds

Purpose and Funds Involved	Interest Rate	Annual Repayment Terms	2015	2014
Restricted - Trust holds the assets to pay the pensions under the Supplementary Executive Retirement Plan recorded in General – Vacation and Pension Accrual	n/a	As pensions are paid, this amount will be reduced	$ 2,688	$ 2,216

11. Employee Future Benefits

The University is responsible for the administration of two pension plans, an executive retirement plan, and a retiring allowance plan. It also provides other employee future benefits, as determined by employment agreements.

The Pension Plan for the Academic and Administrative Employees of the University of Regina (Academic & Admin Plan) is a defined benefit (DB) best earning average pension plan, combined with a defined

contribution (DC) component. The DB component was closed to new members effective January 1, 2000. Actuarial valuations are completed at least every 3 years as prescribed by statute. The most recent actuarial valuation for funding purposes was completed with the effective date of December 31, 2012. There were no significant changes in the contractual elements of the plans during the year.

The University of Regina Non-Academic Pension Plan (Non-Academic Plan) is a DB final average pension plan. Actuarial valuations are completed at least every 3 years as prescribed by statute. The most recent actuarial valuation for funding purposes was completed with the effective date of December 31, 2012. There were no significant changes in the contractual elements of the plans during the year.

The University funds the above pension plans based on the amounts recommended by the actuary with minimum amounts specified in accordance with the plans and in the collective bargaining agreements. There is no provision that allows for the withdrawal of surplus by the University.

The University of Regina Supplementary Executive Retirement Plan (SERP) was originally created as a DB best earning average retirement plan, combined with a DC component. Effective January 1, 2008, the DB component was closed to new members. New members are automatically enrolled in the DC component. The DB component currently has no active members and only 2 pensioners. Out-of-scope members whose earnings are in excess of the maximum contributory earnings as defined under the Pension Plan for Academic and Administrative Employees of the University of Regina are eligible to participate in the SERP. The University is responsible for making benefit payments under the terms of the SERP as they become due and is not required to fund the obligation in advance. Included in the non-pension employee future benefit obligation below is a liability of $2,688 (2014 - $2,216) relating to the unfunded SERP. The University has set aside cash in the Restricted - Trust Fund equal to the actuary's calculation of the SERP obligation (see Note 10). This cash is still available to the University's creditors, and therefore is not used to compute the accrual for employee future benefits.

The University's Retiring Allowance Plan includes members of the Faculty bargaining unit, the Administrative, Professional and Technical (APT) bargaining unit and out-of-scope employees. A tenured academic staff member eligible for early retirement with at least fifteen years of service who retires and does not receive any other special arrangement is eligible for a lump-sum retiring allowance based on the number of years of continuous service, to a maximum of fifty percent of the member's actual salary. An APT member with at least ten years of continuous service who retires and does not receive any other special arrangement is granted a bonus based on number of years of continuous service. Out-of-scope employees with a minimum of fifteen years of continuous service who retire prior to age 65 are entitled to a lump-sum benefit based on the number of years of continuous service, to a maximum of fifty percent of salary at retirement.

Other non-pension employee future benefits include severance payments if any, retirement cost liabilities such as group insurance and dental benefits promised under prior early retirement packages, voluntary incentive plan for retirement, maternity, paternity or parental leave benefits, as well as short-term and long-term disability benefits to be paid after April 30.

(in thousands of dollars)

The status of all Employee Future Benefits is as follows:

	2015		2014 (restated - Note 24)	
Pension Plans:	Academic & Admin	Non-Academic	Academic & Admin	Non-Academic
Change in plan assets:				
Fair value of plan assets at beginning of year	$ 226,432	$ 76,123	$ 200,265	$ 65,745
Employer contributions	1,300	2,307	1,273	1,619
Employee contributions	1,300	1,859	1,273	1,618
Benefit payments	(11,011)	(4,671)	(12,409)	(4,595)
Actual return on plan assets	23,209	7,426	36,030	11,736
Fair value of plan assets at end of year	$ 241,230	$ 83,044	$ 226,432	$ 76,123
Change in benefit obligation:				
Benefit obligation at beginning of year	$ (203,401)	$ (78,687)	$ (182,472)	$ (72,927)
Current service cost	(2,592)	(1,428)	(2,473)	(1,314)
Employee contributions	(1,300)	(1,859)	(1,273)	(1,618)
Interest on benefit obligations	(12,790)	(4,874)	(11,401)	(4,507)
Benefit payments	11,011	4,671	12,409	4,595
Experience loss	(7,002)	(3,560)	(18,191)	(2,916)
Benefit obligation at end of year	$ (216,074)	$ (85,737)	$ (203,401)	$ (78,687)
Funded status:				
Plan net assets (net benefit obligation)	$ 25,156	$ (2,693)	$ 23,031	$ (2,564)
Valuation Allowance	(15,928)	-	(13,955)	-
Accrued benefit asset (liability)	$ 9,228	$ (2,693)	$ 9,076	$ (2,564)
Pension expense:				
Current service cost	$ 2,592	$ 1,428	$ 2,473	$ 1,314
Interest on benefit obligations	12,790	4,874	11,401	4,507
Less: Expected return on plan assets	(14,223)	(4,742)	(12,501)	(4,067)
Defined benefit pension expense	$ 1,159	$ 1,560	$ 1,373	$ 1,754
Defined contribution pension expense	$ 5,742	$ -	$ 5,427	$ -
Remeasurements and other items:				
Experience (gain) loss	$ 7,002	$ 3,560	$ 18,191	$ 2,916
Expected return on plan assets	14,223	4,742	12,501	4,067
Less: Actual return on plan assets	(23,209)	(7,426)	(36,030)	(11,736)
Increase (decrease) in Valuation Allowance	1,973	-	6,450	-
Recorded directly in fund balance	$ (11)	$ 876	$ 1,112	$ (4,753)

Non-Pension Employee Future Benefits:

	2015	2014
Change in benefit obligations:		(restated - Note 24)
Benefit obligation at beginning of year	$ (22,997)	$ (16,504)
Current service cost	(2,982)	(7,558)
Interest on benefit obligations	(847)	(619)
Benefit payments	8,228	2,033
Remeasurements and other items - Experience (loss)	448	(349)
Benefit obligation at end of year	$ (18,150)	$ (22,997)
Recorded in Statement of Financial Position:		
Included in Accounts payable and other accrued liabilities	$ (650)	$ (5,351)
Accrual for employee future benefits	(17,500)	(17,646)
Total obligation	$ (18,150)	$ (22,997)
Non-pension employee future benefit expense:		
Current service cost	$ 2,982	$ 7,558
Interest on benefit obligations	847	619
Total non-pension employee future benefit expense	$ 3,829	$ 8,177
Remeasurements and Other items recorded directly in fund balance	$ (448)	$ 349

	2015		2014	
Assumptions as at April 30:	Pension	Non-Pension	Pension	Non-Pension
Discount rate	6.00% to 6.15%	3.20% to 3.50%	6.25% to 6.40%	4.00% to 4.20%
Inflation	2.50%	2.50%	2.50%	2.50%
Salary increase SERP	-	3.00%	-	3.00%
Salary increase (inflation and productivity)	3.00%	3.00%	3.00%	3.00%
Salary increase (merit and promotion)				
Non-Academic Plan	0.50%	-	0.50%	-
Academic & Admin Plan and Retiring Allowance Plan	3.00% first 10 years Grading down to 0.75% after 20 years	3.00% first 10 years Grading down to 0.75% after 20 years	3.00% first 10 years Grading down to 0.75% after 20 years	3.00% first 10 years Grading down to 0.75% after 20 years

Allocation of Pension Plan Assets at Market Value

	2015	2014
Asset category		
Canadian equities	15%	15%
U.S. equities	12%	13%
Non-North American equities	13%	15%
Real Estate	6%	6%
Bonds	19%	19%
Mortgages	3%	2%
Short-term investments	2%	3%
U.S. Common Stock	10%	8%
Balanced Funds	20%	19%
	100%	100%

12. Asset Retirement Obligation

The University owns and manages several underground fuel storage tanks, which are included in the site improvements category. Based on legislation currently in effect, the University will be required to undertake certain removal and site restoration activities when these tanks are retired. As such, the obligation was measured initially with the help of an engineering firm at management's best estimate of costs (using future value methodology with inflation at 2.5%, and present value methodology with a discount rate of 4.5% over the life of the tanks estimated at 40 years) that will be incurred for the eventual removal of the tanks and restoration of the sites. The estimated costs were capitalized into the carrying amount of the tanks and are being amortized over the same period as the tanks. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. No amounts were paid during the year with respect to this asset retirement obligation. Accretion expense for the period of $10 (2014 - $9) is recorded in the Restricted – Capital Asset Fund.

13. Internally Restricted Fund Balances

Funds involved and policy:

	2015	2014
Restricted – Research: Certain research is sponsored by various faculties and departments within the University.	$ 4,514	$ 4,402
Restricted – Trust: Amounts transferred from General – Ancillary Fund to be used for future parking facilities.	4,833	5,285
	$ 9,347	$ 9,687

14. Financial Instruments

The University is exposed to various risks through its financial instruments. The following analysis provides a measure of the University's risk exposure and concentrations. The financial instruments of the University and the nature of the risks to which they may be subject are as follows:

	Risks				
			Market risk		
Financial Instruments	Credit	Liquidity	Currency	Interest rate	Other price
Cash	x		x	x	
Accounts receivable	x		x		
Investments - Canadian fixed income	x			x	
Investments - equity quoted in active market	x				x
Investments - equity not quoted in active market	x				
Investments - money market pooled funds	x			x	
Investments - index pooled funds:					
Canadian and foreign equities	x		x		x
Investments - index pooled funds:					
Canadian fixed income	x			x	x
Investments - pooled partnership units	x				x
Long-term loans receivable	x				
Accounts payable and accrued liabilities		x	x		
Long-term debt		x		x	
Risk management commodity swap derivatives	x	x			x
Interest rate swap derivatives, variable to fixed	x	x			x
Indemnity deposit payable		x			

Credit risk

Credit risk is the risk that a party owing money to the University will fail to discharge that responsibility. The University is exposed to credit risk from the potential non-payment of accounts and long-term loans receivable and non-return of money invested in mutual funds and other investments. It is also exposed to credit risk, or counter-party risk, through potential default under the interest rate swap derivative contracts.

The carrying amount of financial assets on the Statement of Financial Position represents the University's maximum credit risk exposure, unless the swap contracts are in favourable positions (positive fair values). The notional amounts of the swaps are not indicative of the credit risk associated with derivative contracts. Current credit exposure is represented by the current replacement cost of all outstanding contracts in a favourable position.

The maximum exposure to credit risk at the reporting date was:

	2015	2014 (restated - Note 24)
Cash and cash equivalents	$ 9,075	$ 10,137
Short and long-term investments	130,506	156,254
Trade accounts receivable	29,092	26,781
Pledges receivable	-	12
Loans receivable	-	54
	$ 168,673	$ 193,238

The University limits its credit exposure related to the swaps by dealing with counter-parties believed to have a good credit standing.

The University minimizes credit risk related to investments by investing with reputable companies. Credit ratings for the University's bond mutual funds are as follows:

	2015		2014	
Credit Rating	Fair Value	Make up of Portfolio (%)	Fair Value	Make up of Portfolio (%)
AAA	$ 6,181	8.7%	$ 8,433	10.2%
AA	10,372	14.6%	21,279	25.6%
A	20,116	28.4%	22,780	27.4%
BBB	24,740	34.9%	24,629	29.8%
BB & Below	3,353	4.7%	1,280	1.5%
Mortgages	3,770	5.3%	862	1.0%
Cash and Short-term	1,694	2.4%	3,779	4.5%
Unrated	694	1.0%	13	0.0%
Total	$ 70,920	100.0%	$ 83,055	100.0%

The pledges receivable are from reputable corporations with a history of paying what they have pledged to the University.

The maximum exposure to credit risk for trade accounts receivable at the reporting date by type of customer was:

	2015	2014
		(restated - Note 24)
Related parties	$ 8,680	$ 8,610
Students and employees	4,609	3,216
Federal government –for research grants	7,412	7,357
Various companies	7,815	7,025
Canada Revenue Agency – GST rebates and Input Tax Credits	576	573
	$ 29,092	$ 26,781

The actual credit risk from receivables from students and employees is minimal as the University has various methods of recourse for collection such as withholding transcripts, certificates or degrees and payroll deduction.

The actual credit risk from research receivables from the federal government is minimal. As long as employees carry out the required research and reporting, the University continues to receive the grants as awarded by the federal government.

The change in the allowance for doubtful accounts receivable in respect of trade receivables during the year was as follows:

(in thousands of dollars)

	2015	2014
Allowance for doubtful accounts at May 1	$ 925	$ 831
Accounts written off	(332)	(295)
Recoveries	47	60
Provision for losses	851	329
Allowance for doubtful accounts at April 30	$ 1,491	$ 925

Liquidity risk

Liquidity risk is the risk that the University will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The University's objective when managing its liquid resources is to maintain sufficient resources to allow it to satisfy its financial obligations, be those operating, capital asset additions, research and special project spending, or debt repayment, and to maintain a solid capital base from which scholarships and bursaries can be paid.

The University manages its operating capital through an operating budget which is approved by the Board of Governors. This budget is allocated to academic and support units on an annual basis to allow each area to meet its strategic priorities and those of the University. Each area must administer its budget responsibly and ensure there is accountability for the resources that are transferred to it. Budget overspending in one year becomes a first charge against a unit's budget for the following year to ensure the capital is recovered. Regular reporting to the Board on revenue projects also takes place.

Restricted and special purpose funds are monitored to ensure spending is in accordance with the various terms and not spent beyond the resources that have been provided. Individual funds are established and carefully monitored for proper spending. In the event of an over expenditure or ineligible expenditure, the responsible department funds the costs from other resources. In the case of the Restricted - Capital Asset Fund, with the approval of the Province of Saskatchewan, the University is permitted to enter into long-term debt agreements to assist with the financing of capital assets. The interest and principal repayments on debt for the next five years is disclosed in Note 9.

In order to maintain a solid capital base from which scholarships and bursaries can be paid, a Trust and Endowment Committee of the Board of Governors oversees the investment performance and the spending formula. The committee regularly reviews a Statement of Investment Policies and Goals, and recommends changes in investment policies and spending formula as they see fit.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

Currency risk

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The functional currency of the University is the Canadian dollar. The University infrequently transacts in U.S. dollars due to certain revenues and operating costs being denominated in U.S. dollars, as well as sourcing certain purchases and capital asset acquisitions internationally. The University also invests a portion of its investment portfolio in index pooled funds which invest in foreign equities.

As at April 30, 2015, a 10% appreciation in the Canadian dollar versus foreign currencies exchange rates would decrease net revenues by approximately $3,609 (2014 - $2,686), while a depreciation of 10% would increase net revenues by approximately $3,609 (2014 - $2,686).

Interest rate risk

Interest rate risk is the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in interest rates.

The University is exposed to interest rate risk in its investment in money market and bond mutual funds and bank line of credit. The estimated impact of an immediate 1% increase in interest rates would be to decrease the market value of the fixed income portion of the investment portfolio as at April 30, 2015 by $1,194 (2014 - $1,270) while an immediate 1% decrease in interest rates would increase the market value by $1,194 (2014 - $1,270).

The University mitigates its interest rate risk on its floating-rate debt obligations by entering into fixed interest rate swap agreements. An interest rate swap is a derivative financial contractual agreement between two counter-parties who generally exchange fixed and floating rate interest cash flows based on a notional amount derived from the value of underlying assets or liabilities. The University has entered into interest rate swap agreements with the Canadian Imperial Bank of Commerce and the Bank of Montreal in order to manage the interest rate exposure associated with certain debt obligations. The contracts have the effect of exchanging the floating interest rate cash flows from the underlying short-term debt instruments with fixed interest rate cash flows based on a notional amount.

Other price risk

Other price risk is the risk that the fair value of a financial instrument or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

Investments are placed in accordance with the investment policy which is approved by the Board of Governors. The investment policy provides guidelines to the University's investment managers for the asset mix of the portfolio regarding the quality and quantity of investments. This helps reduce the impact of market value fluctuations.

The University is exposed to market risk due to its investment in equity mutual funds. A 10% increase in equity markets would increase the 2015 net revenues by $5,159 (2014 - $4,407) and a 10% decrease in equity markets would decrease net revenues by $5,159 (2014 - $4,407).

The University is also exposed to other price risk as a result of executing interest rate swap agreements. At any given time subsequent to execution, a derivative instrument will have a market value – the University will either have to make a payment, or will be entitled to receive a payment, in order to effectively pay the fixed interest rate

under each swap agreement. A 1% increase in the market interest rate would increase the 2015 net revenues by $14,242 (2014 - $13,510) and a 1% decrease in the market interest rate would decrease net revenues by $17,110 (2014 - $16,187).

The University has entered into a number of natural gas commodity swap agreements with the Canadian Imperial Bank of Commerce and Bank of Montreal in order to manage the risk of fluctuating natural gas prices. These swaps effectively fix the price of natural gas for an agreed-upon volume at agreed-upon rates over an agreed-upon time period. See Note 8. However, this exposes the University to other price risk, as the value of the derivative is based on the value of the commodity in the market. If the commodity price is lower than the swap-fixed price, the University is in a loss position. If the commodity price is higher than the swap-fixed price, the University would be in a gain position.

Changes in risk
There have been no changes in the University's risk exposures from the prior year.

15. Operating Leases

During the year, the University leased out one building, the Daycare Building. The following table discloses information about this property.

	2015	2014
Capital cost	$ 583	$ 577
Accumulated amortization	302	288
Amortization expense	14	15
Outstanding debt	-	47
Principal & interest paid (net)	48	54
Income from Operating Leases	54	54

During the year, the University also leased out 19,367 square feet of space (2014 – 25,006) and recorded $491 in lease revenue from these leases (2014 – $546).

The University is implementing a print optimization program whereby it leases its fleet of multi-function print/scan/fax devices (MFD's). The master lease agreement is effective for a 5-year period beginning May 20, 2010. The term of this agreement may be extended, subject to the written agreement of the parties prior to the end of the original term. The University is negotiating an extension to this agreement for an additional five year period. The expiry or earlier termination of this Master Agreement shall not affect any Lease Agreement then in effect, which shall continue in full force and effect in accordance with its terms. The Lease Agreement (Schedule of Goods) commences on the Acceptance Date.

The number of leased devices increases as each department is converted to the new program. The University also contracts with a separate company to manage the program and the devices. That contract is in effect from June 1, 2010 until May 31, 2015, unless otherwise terminated, and has the option of being extended. The University is negotiating an extension to this agreement for an additional five years. With respect to this contract, the University has no fixed fee payable to the management company, who is instead paid based on machine usage.

The University also leases space from several related parties, as described in Note 22 to these financial statements.

The following table discloses the committed lease payments for the next 5 years, and, for the number of MFD devices on hand at April 30, the future minimum annual commitments for device rental for the next 5 years:

	Space Rental	MFD Rental
2015/16	$ 665	$ 172
2016/17	429	67
2017/18	43	20
2018/19	-	5
2019/20	-	-

16. Investment Income and Unrealized Gain (Loss)

	General	Restricted	Endowment	Total	Total 2014
Interest income from loans and receivables	$ 42	$ 1	$ -	$ 43	$ 38
Interest/dividend income from financial instruments	214	4,365	2,071	6,650	4,105
Unrealized foreign exchange gain (loss) on financial instruments	-	1,218	-	1,218	1,086
Change in fair value of financial instruments due to other than exchange rates	278	286	1,211	1,775	7,474
Total	$ 534	$ 5,870	$ 3,282	$ 9,686	$ 12,703

17. Employee Benefits

	2015	2014 (restated - Note 24)
Pension Expense – Defined Benefit (Note 11)	$ 2,719	$ 3,127
Pension Expense – Defined Contribution (Note 11)	5,742	5,427
Non-Pension Employee Future Benefits (Note 11)	3,829	8,177
All other employee benefits	10,677	9,286
	$ 22,967	$ 26,017

18. Interest and Unrealized Loss

	General	Restricted	Endowment	Total	Total 2014
Interest expense from financial liabilities	$ 1,894	$ 3,337	$ -	$ 5,231	$ 3,693
Less interest capitalized during year	-	(2,299)	-	(2,299)	-
Decrease in fair value of risk management swap contracts (see Note 8)	726	7,228	-	7,954	202
Total	$ 2,620	$ 8,266	$ -	$10,886	$ 3,895

19. Expenses by Function

The University charges all General – Operating fund and General – Vacation Pay and Pension Accrual fund benefits to a central account in the Administration and General grouping of accounts. For this note, these amounts are allocated to the other operating functions based on the amount of salaries in each function.

	2015	2014
		(Restated - Note 24)
Credit Instruction	$ 98,095	$ 96,182
Non-Credit Instruction	6,481	6,272
Library	7,772	8,324
External Relations	3,437	3,176
Computing	7,673	7,545
Administration and General	25,875	27,250
Facilities	23,457	22,273
Student Services	13,425	12,987
Ancillary	12,893	12,750
Special Projects	5,750	5,670
Capital	26,307	19,204
Research	11,829	12,231
Trust & Endowment	11,716	10,739
Total Expenses	$ 254,710	$ 244,603

20. Interfund Transfers

Each year, the University transfers amounts between its funds for various purposes. These include funding capital asset purchases, and reassigning fund balances to support certain activities.

	General		Restricted		Endowment	
	2015	2014	2015	2014	2015	2014
Asset purchases recorded in Restricted – Capital Asset Fund	$(2,591)	$ (2,510)	$ 2,591	$ 2,510	$ -	$ -
Support for employee benefit fluctuations	-	(2,800)	-	2,800	-	-
Support for capital projects	(3,477)	(2,973)	3,477	2,973	-	-
Project management fees	319	295	(319)	(295)	-	-

	General		Restricted		Endowment	
	2015	2014	2015	2014	2015	2014
Support for Operating projects	$ 2,378	$ 358	$ (2,378)	$ (358)	$ -	$ -
Ancillary parking revenue to building trust	(450)	(450)	450	450	-	-
Administrative support from research	1,266	3,587	(1,266)	(3,587)	-	-
Support for special projects	23	(8)	(23)	8	-	-
Support for Research	(1,163)	(1,076)	1,163	1,076	-	-
Residence debt payments from Ancillary	(1,334)	(1,253)	1,334	1,253	-	-
Trust Funds transferred to Endowment	(200)	-	87	(244)	113	244
Interest on various fund balances	602	700	(602)	(700)	-	-
Other miscellaneous transfers	(200)	(316)	196	319	4	(3)
Support for Graduate Scholarships	(218)	(149)	218	149	-	-
Support for Undergraduate Scholarships	(786)	(294)	508	210	278	84
	$(5,831)	$ (6,689)	$ 5,436	$ 6,364	$ 395	$ 325

21. Budget Versus Actual for 2015

General – Operating Fund

	Budget	Actual
Revenues	$ 194,546	$ 197,974
Expenses	(193,655)	(187,129)
Net (expenses) revenues	(1,109)	10,845
Interfund transfers	1,109	(11,002)
Employee future benefit remeasurements	-	4
Net decrease in fund balance for year	$ -	$ (153)

The University's General – Operating Fund revenue budget of $200,231 is net of internal operating recoveries of $2,846, transfers of $1,836, and transfer of space rental from Ancillaries of $1,003 resulting in the disclosed revenue budget above of $194,546.

The University's General – Operating Fund expense budget of $200,231 is net of library acquisitions of $2,930, internal operating recoveries of $2,846, and increased by salaries of Canada Research Chairs of $1,200 which are funded by interfund transfers from the research fund resulting in the disclosed expense budget above of $193,655.

The interfund transfer budget of $1,109 is comprised of transfers-in excluded from revenue budget and transfers-out excluded from expense budget as noted above.

(in thousands of dollars)

General – Ancillary Fund

	Budget	Actual
Revenues	$ 16,394	$ 16,744
Expenses	(12,171)	(12,893)
Net revenues	4,223	3,851
Interfund transfers	(4,531)	(3,655)
Net (decrease) increase in fund balance for year	$ (308)	$ 196

The Ancillary Fund revenue and expense budgets are net of internal sales of $1,064. The Ancillary expense budget is also net of $1,003 space rental charges treated as interfund transfers to General Operating and $3,528 of interfund transfers to the Capital Asset Fund for the Residences.

General – Special Projects Fund

	Budget	Actual
Revenues	$ 4,401	$ 4,945
Expenses	(4,401)	(5,750)
Net expenses	-	(805)
Interfund transfers	-	8,826
Net increase in fund balance for year	$ -	$ 8,021

Restricted – Capital Asset Fund

	Budget	Actual
Revenues	$ 25,789	$ 14,912
Expenses	(48,305)	(26,307)
Net expenses	(22,516)	(11,395)
Interfund transfers	3,128	9,966
Net decrease in fund balance for year	$ (19,388)	$ (1,429)

Restricted – Research Fund

	Budget	Actual
		(restated - Note 24)
Revenues	$ 20,672	$ 15,393
Expenses	(19,472)	(11,829)
Net revenues	1,200	3,564
Interfund transfers	(1,200)	(3,665)
Net decrease in fund balance for year	$ -	$ (101)

(in thousands of dollars)

Restricted – Trust Fund

	Budget	Actual
Revenues	$ 8,040	$ 15,476
Expenses	(3,058)	(11,716)
Net revenues	4,982	3,760
Interfund transfers	-	(865)
Net increase in fund balance for year	$ 4,982	$ 2,895

Endowment Fund

	Budget	Actual
Revenues	$ 1,761	$ 3,588
Expenses	-	-
Net revenues	1,761	3,588
Interfund transfers	-	395
Net increase in fund balance for year	$ 1,761	$ 3,983

Endowment Fund revenues are primarily dependent upon contributions, gifts, donations, bequests and investment returns.

22. Related Party Transactions

The University of Regina has a number of related parties. Each related party, along with a description of the relationship and transactions and balances with those related parties, is described in this note.

Government of Saskatchewan

The University receives a significant portion of its revenue from the Government of Saskatchewan and has a number of its Board of Governors members appointed by the Government of Saskatchewan. To the extent that the Government exercises significant influence over the operations of the University, all Saskatchewan Crown agencies, such as corporations, boards and commissions, are considered related parties to the University.

Included in Grants and contracts – Government of Saskatchewan are operating and other grants and contracts received or receivable from the Ministry of Advanced Education as indicated below (receivable - $7,118 (2014 - $6,574)). A portion of the revenue from the Government of Saskatchewan includes supplemental funding for facilities, including funding allocated to principal and interest repayments for sustaining capital.

	2015	2014
General – Operating:	$ 109,969	$ 106,515
General – Special Projects:	-	37
General Fund total	$ 109,969	$ 106,552

	2015	2014
Restricted – Capital:	$ 13,265	$ 11,993
Restricted – Research:	156	369
Restricted Fund total	$ 13,421	$ 12,362

The University currently leases land to the Saskatchewan Opportunities Corporation (SOCO). The lease is for 99 years at one dollar per year, expiring on June 30, 2097. The land shall be used for and devoted to research and technology development activities. Regina Research Park is situated on this land.

The University also leases 112 acres of land, known as the Wascana East Lands, from the Saskatchewan Government. The lease is for 99 years at one dollar per year, expiring on July 31, 2104. The lease agreement indicates that it is the desire and intention of the parties to transfer this land to the University at some point during the lease term, at which point the lease will terminate. This transfer shall be in consideration for the University of Regina providing to the Government of Saskatchewan, through SOCO, the partially developed and serviced lands for the use and construction of the Regina Research Park.

The University also leases approximately 48,575 (2014 – 48,575) square feet of building space from SOCO and Saskatchewan Polytechnic for approximately $913 (2014 - $908) per year plus its share of occupancy costs.

Routine operating transactions with Government of Saskatchewan related parties are recorded at the standard or agreed rates charged by those organizations and are settled on normal trade terms. The larger of these payments are as follows:

	2015	2014
Saskatchewan Power Corporation	$ 4,235	$ 3,993
Saskatchewan Energy	90	82
Saskatchewan Telecommunications	513	654
University of Saskatchewan	352	422
Saskatchewan Workers Compensation	265	269
Saskatchewan Polytechnic (previously Saskatchewan Institute of Applied Science and Technology)	3,727	3,183
Saskatchewan Opportunities Corporation/Innovation Place	1,420	1,136
Conexus Arts Centre	102	112
Saskatchewan Ministry of Finance	64	77
Saskatchewan Research Council	26	106

At year-end, the University had accounts payable to the above organizations totaling $568 (2014 - $666). The University had accounts receivable from the above organizations totaling $168 (2014 - $399).

Canadian Universities Reciprocal Insurance Exchange

The University of Regina is a member of the Canadian Universities Reciprocal Insurance Exchange (CURIE). CURIE pools the property damage and public liability insurance risks of its members. All members pay annual deposit premiums that are actuarially determined and are subject to further assessment in the event members' premiums and reserves are insufficient to cover losses and expenses.

As of December 31, 2014, CURIE had an accumulated surplus of $74,231 (Dec 2013 - $71,300). The University's participation rate in CURIE for the year ending December 31, 2014 averaged 1.469% (Dec 2013 – 1.473%). The University received $72 in distributions during the fiscal year (2014 - $73).

MacKenzie Art Gallery Inc.

The Gallery is custodian of a collection of artwork that is the property of the University. The University provides funding to the Gallery, which can be reduced if the government grant to the University is reduced. The Gallery's Board contains two members appointed by the University. The University holds certain money in trust for the Gallery. Income earned on this money is, from time to time, paid to the Gallery to be used to purchase additional works of art to add to the Collection and for the cleaning and restoration of works comprised in the Collection. The University also provides other operating services to the Gallery such as audiovisual, printing, and payroll services. The Gallery reimburses the University for these services.

During the year, the University applied grant money of $400 (2014 - $400) against the Gallery's receivable and paid $73 (2014 - $36) to the Gallery. The Gallery paid the University $1,386 (2014 - $1,333) for services rendered.

At April 30, 2015, the University had an account receivable from the Gallery totaling $114 (2014 - $126).

Amounts payable to the Gallery were minimal at each year-end.

The Gallery has given the University money to invest on its behalf. At year-end, the balance of this investment, including accumulated interest totals $870 (2014 - $765). This amount is not included in the University's financial statements. The University does not charge the Gallery for this service.

Wascana Centre Authority

On April 1, 1962, the Wascana Centre Authority (WCA) was constituted a body corporate under *The Wascana Centre Act*. The Government of Saskatchewan, the City of Regina and the University were named as participating parties. The University has appointed three members to the 11-member Authority, one of whom is the University President who is also a member of the University Board of Governors.

The University has a statutory obligation to WCA for the cost of landscape construction and landscape maintenance performed on University owned land. Payments made to WCA are as follows:

	2015	2014
Statutory Maintenance	$ 841	$ 820
Other miscellaneous payments	237	388
	$ 1,078	$ 1,208

The University received grants of $252 (2014 - $252) from the Ministry of Advanced Education to help fund the above payments to the Wascana Centre Authority.

Federated Colleges

Three colleges located on the main campus – Campion College, Luther College and the First Nations University of Canada (FNUniv) are federated with the University but are financially and administratively independent. Students interested in registering in a federated college must meet the general entrance requirements of the University of

Regina. Courses offered by the University and the colleges are open to all students. The University's Board of Governors sets the tuition rates that must be paid by all students. Degrees are granted by the University when students have completed all requirements. The University has agreements with the three colleges that determine how student fees are shared.

The University also provides other operating services to the colleges such as telephone, audio visual, library book purchasing, printing, research grant administration and payroll services. The colleges reimburse the University for cash outflows resulting from these services. The University had the following receipts, receivables and payables:

	Operating		Fee Share		Infrastructure		Loans	
	2015	2014	2015	2014	2015	2014	2015	2014
Receipts from:								
Campion College	$ 1,056	$ 769	$ -	$ -	$ 641	$ 638	$ -	$ -
Luther College	1,955	1,459	-	-	635	631	56	111
FNUniv	378	621	-	-	-	-	-	-
	$ 3,389	$ 2,849	$ -	$ -	$ 1,276	$ 1,269	$ 56	$ 111

	Operating		Fee Share		Infrastructure		Loans	
	2015	2014	2015	2014	2015	2014	2015	2014
Receivable from:								
Campion College	$ 93	$ 167	$ 59	$ 67	$ -	$ -	$ -	$ -
Luther College	190	328	46	41	-	-	-	55
FNUniv	41	86	398	209	-	-	-	-
	$ 324	$ 581	$ 503	$ 317	$ -	$ -	$ -	$ 55

The University holds a number of trust funds on behalf of FNUniv. The University also has other small agreements with the colleges. As a result of these, the University made payments or had payables to the colleges during the year as follows:

	2015	2014
Payments to Luther College	$ 304	$ 158
Payments to FNUniv	459	155
Payable to FNUniv	184	-
Payments to Campion College	-	3

FNUniv has given the University money to invest on its behalf. At year-end, the balance of this investment, including accumulated interest, totals $1,986 (2014 - $1,747). This amount is not included in the University's financial statements. The University does not charge FNUniv for this service.

Petroleum Technology Research Centre

The Petroleum Technology Research Centre (PTRC) is a federally incorporated not-for-profit petroleum research and development corporation. The PTRC is a collaborative initiative of the University of Regina, Saskatchewan Research Council (SRC), Natural Resources Canada (NRCan) and Saskatchewan Ministry of the Economy.

During the year, the University received $1,494 (2014 - $2,827) from the PTRC to repay salary and benefits of the PTRC employees, who are paid through U of R acting as a payroll service, and to fund research projects. The University also employs professors who carry out PTRC related research. These professors will remain employees of the University of Regina. At April 30, 2015, the University had an account receivable from PTRC of $332 (2014 - $93). At April 30, 2015, the University had an account payable to PTRC of $0 (2014 - $1,212) related to unspent funds from PTRC-related research projects that were completed March 31, 2014.

SpringBoard West Innovations Inc.

SpringBoard West Innovations Inc. (SBWI) was established under *The Non-Profit Corporations Act, 1995* of Saskatchewan to help innovators transform an idea into a commercial reality and to help organizations access important new innovations. The University had significant influence over SBWI by virtue of having two directors on a board of six directors.

SBWI was focused on projects in the energy, environment, informatics, life and biomedical sciences sectors. SBWI wound up during the fiscal year. According to its articles of incorporation, upon liquidation and dissolution, any remaining property of SBWI shall be distributed pro-rata between the University of Regina and the Government of Saskatchewan. As such, the University received a cheque for $58 as its pro-rata share of the final assets.

The University had been leasing space from SBWI in the 2-Research Drive Building, as well as contracting with them for other services. During the year, the University made payments to SBWI of $0 (2014 - $8), and had no payables to SBWI at either year-end.

IPAC-CO2 Research Inc.

IPAC-CO2 Research Inc. (IPAC-CO2) was established as a corporation without share capital under Part II of the *Canada Corporations Act* to undertake research and development and commercial services in the area of carbon capture and storage risk assessment and all activities associated therewith.

The University had significant influence over IPAC-CO2 by virtue of its ability to appoint three directors on a board of seven directors, and by virtue of being one of two voting members, the other being the Crown Investments Corporation of Saskatchewan (CIC).

Industry Canada confirmed that a Directive of Dissolution and Cancellation of Charter was issued, dated June 30, 2014.

During the year, there were no operational transactions between the University and IPAC-CO2, and there are no balances receivable or payable at April 30, 2015 or as at April 30, 2014.

FNUniv Financial Administration Inc.

On March 10, 2011, as a result of a May 1, 2010 Administrative Services Contract between First Nations University of Canada (FNUniv) and the University of Regina, the University incorporated a fully-owned, for-profit corporation under *The Business Corporations Act* called FNUniv Financial Administration Inc. (FFA). FFA has a March 31 year end. The University holds 10 Class A voting shares. The president of the University is the president and sole director of FFA. The purpose of FFA is to provide administrative services related to the administration and disbursement of FNUniv Funds.

The University accounts for FFA using the equity method. As such, the University has an Investment in FFA of ten dollars.

Also as a result of the Administrative Services Contract, where FNUniv agreed to indemnify and save harmless the University and all University Parties and to provide the University with an indemnification in an amount and in form and content satisfactory to the University to secure payment of the indemnity, the University entered into an

Indemnity Amount Agreement with FNUniv, effective April 1, 2011. Both parties agreed that the indemnification deposit shall be $750, and shall be invested in an interest bearing savings account maintained by the University. Interest earned on the investment shall form part of the indemnity amount. The Administrative Services Contract was finished March 31, 2014, and a new Advisory Services Agreement was signed.

Both parties also signed an Indemnity Amount Amending Agreement effective April 1, 2014 to support continuation of the indemnity deposit. The indemnity amount of $750 was invested in a 3-year GIC. The GIC and Indemnity Liability have an April 30, 2015 balance of $759 (2014 - $750).

The University's agency agreement with MNP LLP (MNP) also expired, and all FNUniv money held by MNP was returned to FFA and then returned to FNUniv. The new Advisory Services Agreement does not require the University to provide administrative services related to the administration and disbursement of FNUniv Funds. All FFA bank accounts were empty and closed in August 2014. The University received a certificate of dissolution for FFA, effective May 5, 2015.

During the year, the University flowed $0 (2014 - $6,442) of Indian Studies Support Program (ISSP) money received from the Federal Ministry of Indian Affairs and Northern Development through to FFA who then transferred it to the University's agent, MNP. FFA transferred $0 (2014 - $25) to the University to be invested on behalf of FNUniv scholarships. FFA also recorded $0 (2014 - $7,649) of cash collected at FNUniv. These amounts are not recorded in the University's financial statements.

FFA had no revenues, expenses or net income during the years ending April 30, 2015 and 2014, and had no balance sheet balances at either year-end except for the value of the University's Investment in FFA of ten dollars and an amount owing from the University of the same ten dollars.

University of Regina Board of Governors
During the year, the University paid honorariums and expenses of $37 (2014 - $47) to or on behalf of Board members.

During the year, the University paid $673 (2014 - $194) to vendors who are owned or partially owned by or under the direction of University Board members. These vendors provided services at normal market rates and are not otherwise related to the University. The Board members remained free from conflict as they did not participate in the University's decision to use those vendors. At April 30, 2015, the University had accounts payable of $31 (2014 - $17) to these vendors.

23. Commitments and Contingencies

At April 30, 2015, the University has outstanding contractual commitments totaling $128 (2014 - $1,237) related to five (2014 – four) large capital projects. The original commitment from these contracts is $2,777 (2014 - $2,550). By April 30, 2015, the University had already spent $2,649 (2014 - $1,313) related to these contracts.

The University has also entered into contracts for building the new Hall A Residence/Daycare building. These contracts have no value statement in them, but are "cost plus" arrangements. Although no value is stated in the contracts, the University anticipates spending $77,988 (2014 - $77,590) under these contracts to build the new

building. As at April 30, 2015, the University had already spent $68,450 (2014 - $37,314) related to these contracts, leaving an anticipated $9,538 (2014 - $40,276).

The University also had open purchase order commitments totaling $5,382 (2014 - $2,545).

The University is currently involved in a number of instances of litigation. The results of these instances are not determinable. For all but one, any loss would be covered by insurance. For the one instance that is of a contractual nature, an estimate of the contingent loss cannot be reasonably made.

24. Change in Accounting Policy and Correction of Errors

The University has adopted CPA Canada Handbook Part III accounting standards *Section 3463 – Reporting employee future benefits by not-for-profit organizations*, in accordance with the transitional provisions provided in that section, which includes retrospective restatement.

Section 3463.01 provides that a not-for-profit organization applies Part II Section 3462 except as otherwise provided in Section 3463. In previous years, the University presented remeasurements and other items related to its employee benefit plans (Note 11) in the Statement of Operations and Changes in Fund Balances as an employee benefits expense item. Beginning in fiscal 2015 and in accordance with Section 3463, the University has commenced presenting remeasurements and other items related to its employee benefit plans in the Statement of Operations and Changes in Fund Balances as a change in fund balance item.

The University corrected a number of errors in the April 30, 2014 comparative financial statements as follows:

1. In fiscal 2014, the University offered a Voluntary Incentive Plan for Retirement (VIPR). The $4,734 cost of this incentive was classified as salaries, but should more appropriately have been classified as benefits. This classification error also caused disclosure errors in Note 11 Employee Future Benefits in the Non-Pension Employee Future Benefits section.
2. In prior fiscal years, the University had not recorded inventory of the University's research publishing unit, and had a small amount of unrecorded accounts receivable for the same unit. The University has retroactively corrected the accounts receivable error of $36, inventory error of $463, and related cost of goods sold errors.
3. In July 2014, the University was informed it was required to repay $1,212 of unspent research funding for PTRC-related projects that were completed March 31, 2014. This amount should have been recorded as accounts payable with a corresponding reduction in research revenue for the 2014 fiscal year.
4. During fiscal 2015, the University put processes in place to properly record construction holdbacks payable. Previously, these were tracked only by Facilities Management, but remained unrecorded in the financial statements. As a result the university increased April 30, 2014 accounts payable by $2,313 which had a corresponding increase in the capital asset category of buildings work-in-progress.

The following shows the result of the retrospective application of these new standards and the error corrections.

	as previously stated	adoption of Part II section 3463, employee future benefits	correction of prior-year errors	as restated
Statement of Financial Position (Statement 1)				
Accounts Receivable	$ 25,886	$ -	$ 36	$ 25,922
Inventories	1,955	-	463	2,418
Capital assets - Tangible assets	248,065	-	2,313	250,378
Accounts payable and other accrued liabilities	33,085	-	3,525	36,610
Fund Balances - Externally restricted funds	72,573	-	(713)	71,860
Statement of Operations and Changes in Fund Balances (Statement 2)				
Sales of services and products	$ 31,633	$ -	$ 23	$ 31,656
Grants and contracts - other	3,982	-	(1,212)	2,770
Salaries	134,603	-	(4,774)	129,829
Employee Benefits (Note 17)	17,991	3,292	4,734	26,017
Operational supplies and expenses	18,515	-	(210)	18,305
Cost of goods sold	3,215	-	189	3,404
Excess of revenues over expenses	22,464	(3,292)	(1,128)	18,044
Employee future benefit remeasurements (Note 11)	-	3,292	-	3,292
Fund balances, beginning of year	245,468	-	415	245,883
Fund balance, end of year	267,932	-	(713)	267,219
Statement of Cash Flows (Statement 3)				
Excess of revenues over expenses	$ 22,464	$ (3,292)	$ (1,128)	$ 18,044
Increase (decrease) in non-cash working capital	4,347	-	3,441	7,788
Employee future benefit remeasurements	-	3,292	-	3,292
Purchases of capital assets - Buildings	(36,182)	-	(2,313)	(38,495)
Statement of Operations and Changes in Fund Balances - General Fund (Statement 4)				
Salaries	$ 130,666	$ -	$ (4,734)	$ 125,932
Employee Benefits (Note 17)	17,660	3,292	4,734	25,686
Excess of revenues over expenses	11,423	(3,292)	-	8,131
Employee future benefit remeasurements	-	3,292	-	3,292
Statement of Operations and Changes in Fund Balances - Restricted Fund (Statement 5)				
Sales of services and products	$ 868	$ -	$ 23	$ 891
Grants and contracts - other	3,130	-	(1,212)	1,918
Salaries	3,937	-	(40)	3,897
Operational supplies and expenses	2,896	-	(210)	2,686
Cost of goods sold	-	-	189	189

(in thousands of dollars)

	as previously stated	adoption of Part II section 3463, employee future benefits	correction of prior-year errors	as restated
(Deficiency) excess of revenues over expenses	$ 6,895	$ -	$ (1,128)	$ 5,767
Fund balances, beginning of year	210,140	-	415	210,555
Fund balance, end of year	223,399	-	(713)	222,686
Note 11 Employee Benefits: Pension Plans				
DB pension expense Academic & Admin	$ 2,485	$ (1,112)	$ -	$ 1,373
DB pension expense Non-Academic	(2,999)	4,753	-	1,754
Note 11 Employee Benefits: Non-Pension Employee Future Benefits				
Current service cost	$ 2,824	$ -	$ 4,734	$ 7,558
Benefit obligation at end of year	(18,263)	-	(4,734)	(22,997)
Total non-pension employee future benefit expense	3,792	(349)	4,734	8,177

25. Presentation

Certain numbers have been reclassified to conform to current year's presentation.

Officers of the University

University of Regina Board of Governors

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